DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is sent to you as a shareholder(s) of **GlaxoSmithKline Consumer Healthcare Limited**. If you require any clarifications about the action to be taken, you may consult either your stock broker or investment consultant or the Manager to the Open Offer or the Registrar to the Open Offer. In case you have recently sold your Shares in **GlaxoSmithKline Consumer Healthcare Limited**, please hand over this Draft Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement and Transfer Deed to the member of Stock Exchange through whom the said sale was effected.

VOLUNTARY CASH OPEN OFFER AT INR 3,900 (Indian Rupees Three Thousand and Nine Hundred) PER FULLY PAID-UP EQUITY SHARE (the **"Open Offer Price"**)

Pursuant to The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof (the **"SEBI (SAST) Regulations, 2011"**)

TO ACQUIRE

13,389,410 fully paid-up equity shares of face value INR 10 each representing 31.84% of the Voting Share Capital

OF

GlaxoSmithKline Consumer Healthcare Limited

Registered Office: Patiala Road, Nabha, Punjab - 147201, India
Telephone: +91 1765 220151 / 220152 / 220059; Fax: +91 1765 220642

(the **"Target Company")**

BY

GlaxoSmithKline Pte Ltd

Registered Office: 150 Beach Road, #21-00 Gateway West, Singapore 189720
Telephone: +65 6232 8338; Fax: +65 6291 5538

(**"GSK Pte"** or the "**Acquirer**")

ALONG WITH

Horlicks Limited

Registered Office: 980 Great West Road, Brentford, Middlesex, TW8 9GS, United Kingdom
Telephone: +44 (0)20 8047 5000; Fax: +44 (0)20 8047 6905

(**"Horlicks"**)

AND

GlaxoSmithKline plc

Registered Office: 980 Great West Road, Brentford, Middlesex, TW8 9GS, United Kingdom
Telephone: +44 (0)20 8047 5000; Fax: +44 (0)20 8047 6905

(**"GSK plc"**)

Horlicks and GSK plc are persons acting in concert with the Acquirer (each entity individually referred to as **"PAC"** and together referred to as **"PACs"**)

Notes:

1. This Open Offer is being made pursuant to Regulation 6 of the SEBI (SAST) Regulations, 2011.
2. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations, 2011.
3. As of the date of this Draft Letter of Offer, to the best of the knowledge of the Acquirer and the PACs, there are no statutory approvals required by the Acquirer and / or the PACs to complete this Open Offer. However, in case of any statutory approvals being required by the Acquirer and / or the PACs at a later date before the closure of the tendering period, the Open Offer shall be subject to all such statutory approvals. Non-resident Indians (**"NRI"**) and overseas corporate bodies (**"OCB"**) holders of Shares, if any, must obtain all requisite approvals required to tender the Shares held by them pursuant to the Open Offer and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Open Offer.
4. This Open Offer is not a competing bid in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
5. Upward revision/withdrawal, if any, of the Open Offer would be informed by way of a public announcement in the same newspapers where the original Detailed Public Statement (**"DPS"**) has appeared. The Acquirer and the PACs are permitted to revise the Open Offer Price upwards only at any time prior to the last three working days before the commencement of the tendering period i.e. up to Monday, 14 January 2013. Such revised Open Offer Price would be payable for all the Shares validly tendered anytime during the tendering period of the Open Offer.
6. **There has been no competing offer as of the date of this Draft Letter of Offer.**
7. A copy of the Public Announcement (**"PA"**), the DPS and this Draft Letter of Offer (including Form of Acceptance-cum-Acknowledgment) is also available on SEBI's website: (www.sebi.gov.in).

Manager to the Open Offer	Registrar to the Open Offer
HSBC **HSBC Securities and Capital Markets (India) Private Limited** 52/60 Mahatma Gandhi Road, Fort, Mumbai 400 001 Telephone: +91 22 2268 1558 / 1703 Fax: +91 22 2263 1984 Email: gskconsumeropenoffer@hsbc.co.in Contact Person: Mr. Mayank Jain/ Ms. Tanu Singh SEBI Registration Number: INM000010353	KARVY Computershare **Karvy Computershare Private Limited** Plot No 17 to 24, Vithalrao Nagar, Hi-Tech City Road, Madhapur, Hyderabad 500081 Telephone: +91 40 2342 0818 – 828 / Toll free no: 1-800-3454-001 Fax: +91 40 234 31551 Email: einward.ris@karvy.com / murali@karvy.com Contact Person: Mr. Muralikrishna SEBI Registration Number: INR000000221
OPEN OFFER OPENS ON: THURSDAY, 17 JANUARY 2013	**OPEN OFFER CLOSES ON: WEDNESDAY, 30 JANUARY 2013**

SCHEDULE OF MAJOR ACTIVITIES RELATING TO THE OPEN OFFER

ACTIVITY	DAY AND DATE
PA Date	Monday, 26 November 2012
DPS Date	Tuesday, 04 December 2012
Last date for public announcement of a competing open offer being made	Wednesday, 26 December 2012
Identified Date*	Thursday, 03 January 2013
Last date by which the Letter of Offer will be dispatched to the shareholders	Friday, 11 January 2013
Last date for upward revision of Open Offer Price	Monday, 14 January 2013
Last date by which an independent committee of the board of directors of the Target Company shall give its recommendation	Tuesday, 15 January 2013
Issue Opening advertisement to be published	Wednesday, 16 January 2013
Date of commencement of tendering period	Thursday, 17 January 2013
Date of expiry of tendering period	Wednesday, 30 January 2013
Last date for communication of rejection / acceptance and payment of consideration for applications accepted / return of unaccepted Share certificates	Wednesday, 13 February 2013

** Date falling on the 10th Working Day prior to the commencement of tendering period, for the purpose of determining the Shareholders (as defined hereinafter) to whom the Letter of Offer shall be sent.*

All Shareholders (whether registered or unregistered) of the Target Company are eligible to participate in the Open Offer any time before the closure of the tendering period.

RISK FACTORS

A. Risks relating to the Open Offer

1. As of the date of this Draft Letter of Offer, to the best of the knowledge of the Acquirer and the PACs, there are no statutory approvals required by the Acquirer and / or the PACs to complete this Open Offer. However, in case of any statutory approvals being required by the Acquirer and / or the PACs at a later date before the closure of the tendering period, the Open Offer will be subject to all such approval(s). In case of delay in the Open Offer, due to non-receipt of any such statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied that non-receipt of approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer and / or the PACs to diligently pursue such approvals, grant an extension of time for the purpose of completion of the Open Offer subject to the Acquirer and / or the PACs agreeing to pay interest to the public shareholders for delay beyond 10 Working Days at such rate as may be specified by SEBI from time to time. Provided where the statutory approvals extends to some but not all shareholders, the Acquirer and / or the PACs have the option to make payment to such shareholders in respect of whom no statutory approvals are required in order to complete the Open Offer. NRI and OCB Shareholders, if any, must obtain all requisite approvals required for tendering the shares held by them pursuant to the Open Offer and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Open Offer.

2. In the event that either (a) there is any litigation leading to a stay or injunction on this Open Offer or that restricts or restrains the Acquirer and / or the PACs from performing their obligations hereunder; or (b) SEBI instructing the Acquirer and / or the PACs not to proceed with this Open Offer, then this Open Offer process may not proceed or may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, in the event of any delay, the payment of consideration to the shareholders of the Target Company whose Shares are accepted under this Open Offer as well as the return of Shares not accepted under this Open Offer by the Acquirer and / or the PACs may get delayed.

3. The tendered Shares and documents submitted therewith would be held by the Registrar to the Open Offer till the process of acceptance of Shares tendered and payment of consideration to the shareholders is completed. Shares cannot be withdrawn once tendered, even if the acceptance of Shares under the Open Offer and dispatch of consideration is delayed. The shareholders will not be able to trade in such Shares which are in the custody of the Registrar to the Open Offer. During such period, there may be fluctuations in the market price of the Shares.

4. In the event that the Shares tendered in the Open Offer are more than the Shares to be acquired under this Open Offer, the acquisition of Shares from each shareholder will be on a proportionate basis as detailed in paragraph 7.14 of this Draft Letter of Offer. Therefore, there is no certainty that all Shares tendered in the Open Offer will be accepted.

5. The Acquirer, the PACs and the Manager to the Open Offer accept no responsibility for the statements made otherwise than in the PA, the DPS, this Draft Letter of Offer or in advertisements or any materials issued by or on behalf of the Acquirer and the PACs and any person placing reliance on any other source of information (not released by the Acquirer, the PACs, or the Manager to the Open Offer) would be doing so at their own risk.

B. Relating to the Acquirer, the PACs and the Target Company

1. The Acquirer and the PACs make no assurance with respect to the financial performance of the Target Company.

2. The Acquirer and the PACs make no assurance with respect to its investment / divestment decisions relating to its proposed shareholding in the Target Company.

3. The Acquirer and the PACs do not provide any assurance with respect to the market price of the Shares before, during or after the Open Offer and each of them expressly disclaims any

responsibility with respect to any decision by the shareholders on whether or not to participate in the Open Offer.

4. The Acquirer and the PACs do not accept responsibility with respect to the information contained in the PA, the DPS, or the Draft Letter of Offer that pertains to the Target Company.

The risk factors set forth above, pertain only to the Open Offer and are not intended to be a complete analysis of all risks in relation to the Open Offer or in association with the Acquirer, the PACs or the Target Company, but are only indicative. The risk factors set forth above, do not relate to the present or future business or operations of the Target Company and any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Shareholder in the Open Offer. Shareholders are advised to consult their stock brokers, tax or investment consultants, if any, for analysing all the risks with respect to their participation in the Open Offer.

C. CURRENCY OF PRESENTATION

1. In this Draft Letter of Offer, all references to "INR" are references to the Indian Rupee(s) ("**INR**"). At some places Pounds Sterling ("**GBP**") and Singapore Dollars ("**SGD**") have been used which represent the national currencies of the United Kingdom and Singapore respectively.

2. All data presented in GBP and SGD in this Draft Letter of Offer has been converted into INR for purpose of convenience of translation.

3. The conversion has been assumed at the following rate as on Monday, 26 November 2012 (unless otherwise stated in this Draft Letter of Offer):

   GBP 1 = INR 89.1963 (Source: Reserve Bank of India - http://www.rbi.org.in)
   SGD 1= INR 45.5713 (Source: Bloomberg)

4. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and / or regrouping.

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KEY DEFINITIONS

Term	Definition
Acquirer or GSK Pte	GlaxoSmithKline Pte Ltd Registered Office: 150 Beach Road, #21-00 Gateway West, Singapore 189720
BSE	BSE Ltd.
Board of Directors	Board of Directors of the Acquirer or the PACs or the Target Company, as the case may be
CDSL	Central Depository Services (India) Limited
Certificate for Deduction of Tax at Lower Rate	Certificate issued by the income tax department for deduction of tax at a lower rate
Closure of the Tendering Period	Wednesday, 30 January 2013
DTAA	Double Taxation Avoidance Agreement
Draft Letter of Offer	The draft of the Letter of Offer filed with SEBI in accordance with Regulation 16 (1) of SEBI (SAST) Regulations, 2011 on Tuesday, 11 December 2012
Depository Escrow Account	The depository account called **"KCPL Escrow Account - GSK Consumer Healthcare Ltd - Open offer"**, opened by the Registrar to the Open Offer with Karvy Stock Broking Limited at National Securities Depository Limited (NSDL). The DP ID is IN300394 and the beneficiary client ID is 18533916
DP	Depository Participant
DPS	Detailed Public Statement in relation to the Open Offer, dated Tuesday, 4 December 2012, issued by the Manager to the Open Offer, on behalf of the Acquirer and the PACs, in accordance with Regulation 6 read with Regulations 13(4), 14 and 15(2) of the SEBI (SAST) Regulations, 2011
ECS	Electronic Clearing Services
EPS	Earnings per share
Escrow Bank	The Hongkong and Shanghai Banking Corporation Limited acting through its branch situated at Shiv Building, Plot No. 139-140 B, Western Express Highway, Sahar Road Junction, Vile Parle (East), Mumbai- 400 057
Escrow Agreement	The escrow agreement between the Acquirer, the Manager to the Open Offer and the Escrow Bank, dated 26 November 2012
Escrow Account – Cash	Escrow account maintained by Acqurier with the Escrow Bank in accordance with the Escrow Agreement

FEMA	Foreign Exchange Management Act, 1999
FII(s)	Foreign Institutional Investors
FIPB	Foreign Investment Promotion Board constituted by the Government of India
FY	Financial Year
GBP	Pound Sterling
GBp	Sterling pence
GSK plc	GlaxoSmithKline plc Registered Office: 980 Great West Road, Brentford, Middlesex, TW8 9GS, United Kingdom
Horlicks	Horlicks Limited Registered Office: 980 Great West Road, Brentford, Middlesex TW8 9GS, United Kingdom
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
Identified Date	Thursday, 3 January 2013 i.e. date falling on the 10th Working Day prior to the commencement of the Tendering Period, for the purpose of determining the holders of shares (other than the Acquirer and the PACs) to whom the Letter of Offer shall be sent
INR	Indian Rupees
Income Tax Act	Income Tax Act, 1961
ISRE	International Standard on Review Engagements
Listing Agreement	Listing Agreement with the Stock Exchanges in India, as amended from time to time
Manager to the Open Offer	HSBC Securities and Capital Markets (India) Private Limited
Total Consideration	Total consideration of INR 52,218,699,000 payable by the Acquirer to acquire 13,389,410 Shares under the Open Offer at the Open Offer Price of INR 3,900 per Share
NOC	No objection certificate issued by the Indian income tax department indicating the amount of tax to be deducted by the Acquirer and / or the PAC before remitting the consideration
NRI	Non-resident Indian
NSDL	National Securities Depositories Limited
NSE	The National Stock Exchange of India Limited
OCB	Overseas Corporate Body
Open Offer	Voluntary open offer being made by the Acquirer and the PACs to the public shareholders of the Target Company for the acquisition of 13,389,410 Shares representing 31.84% of the Voting Share Capital of the Target Company
Open Offer Price	INR 3,900 per Share
Open Offer Size	13,389,410 Shares representing 31.84% of the Voting Share Capital
PA	Public Announcement of the Open Offer made by the Manager to the Open Offer on behalf of the Acquirer and the PACs on 26 November 2012 in accordance with Regulation 6 read with Regulations 13(3) and 15(1) of the SEBI (SAST) Regulations, 2011
PAC / PACs	Horlicks and GSK plc are persons acting in concert with the Acquirer (each entity individually referred to as "PAC" and together referred to as "PACs")
PAN	Permanent Account Number
RBI	The Reserve Bank of India
Registrar to the Open Offer	Karvy Computershare Private Limited
SCRR	Securities Contract (Regulation) Rules, 1957

SEBI	The Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI (SAST) Regulations, 1997	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997
SEBI (SAST) Regulations, 2011	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SGD	Singapore Dollars
Shareholders	Persons holding Share(s) of the Target Company excluding the Acquirer and the PACs
Share(s)	Fully paid-up equity shares of a face value of INR.10 each of the Target Company carrying voting rights, and including any security which entitles the holder thereof to exercise voting rights. For the purpose of this definition, Shares shall include all depository receipts carrying an entitlement to exercise voting rights in the Target Company
Stock Exchange(s)	BSE and NSE
Target Company	GlaxoSmithKline Consumer Healthcare Limited Registered Office: Patiala Road, Nabha, Punjab -147201, India
Tax Clearance Certificate	Certificate to be furnished by the NRIs/OCBs/FIIs and other non-resident Shareholders indicating the amount to be deducted by the Acquirer and / or the PACs under the Income-Tax Act, before remitting the consideration
Tendering Period	Thursday, 17 January 2013 to Wednesday, 30 January 2013
Voting Share Capital	Total fully diluted voting equity share capital of the Target Company
Working Day	A working day of SEBI

1. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF THE TARGET COMPANY TO TAKE AN INFORMED DECISION WITH REGARD TO THE OPEN OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, THE PACs OR THE TARGET COMPANY WHOSE SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER AND THE PACS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER AND THE PACs DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER "HSBC SECURITIES AND CAPITAL MARKETS (INDIA) PRIVATE LIMITED" HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 11 DECEMBER 2012 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS, 2011. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND THE PACs FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OPEN OFFER."

2. THE OPEN OFFER

2.1. Background to the Open Offer

2.1.1. The Open Offer is a voluntary open offer made by the Acquirer and the PACs to the Shareholders of the Target Company in accordance with Regulation 6 of SEBI (SAST) Regulations, 2011. The Acquirer and PACs are making the Open Offer to the Shareholders to acquire up to 13,389,410 Shares representing 31.84% of the Voting Share Capital.

2.1.2. Horlicks, a wholly owned indirect subsidiary of GSK plc, holds 18,152,243 Shares representing 43.16% of Voting Share Capital. Horlicks is the promoter of the Target Company and is already in control of the Target Company. GSK plc is the ultimate parent company of the GlaxoSmithKline group, including the Acquirer and the Target Company. The Open Offer does not result in any change of control of the Target Company.

2.1.3. Neither the Acquirer nor GSK plc owns any Shares in the Target Company. In terms of the first proviso of Regulation 6(1) of the SEBI (SAST) Regulations, 2011, neither the Acquirer nor the PACs have acquired or have been allotted any Shares in the 52 weeks preceding the date of the PA.

2.1.4. The Open Offer gives the Acquirer and the PACs increased exposure to one of the world's fastest growing markets.

2.1.5. The Open Offer is not a result of a global acquisition, an open market purchase or a negotiated deal.

2.1.6. Upon completion of the Open Offer, assuming full acceptances, the Acquirer and the PACs will directly and indirectly hold, in aggregate, 31,541,653 Shares of the Target Company, representing a total of 75.00% of the Voting Share Capital.

2.1.7. Neither the Acquirer nor the PACs have been prohibited by SEBI from dealing in securities in terms of directions issued under Section 11B or any other regulations made under the SEBI Act.

2.1.8. As of the date of this Draft Letter of Offer, three members of the Board of Directors of the Target Company, Mr. Simon J. Scarff, Mr. Zubair Ahmed and Mr. Ramakrishnan Subramanian are representatives of Horlicks. The Acquirer and the PACs reserve the right to seek reconstitution of the Board of Directors of the Target Company after / upon completion of the Open Offer, in accordance with the provisions contained in the SEBI (SAST) Regulations, 2011 and the Companies Act, 1956. However, as of the date of the Draft Letter of Offer, the Acquirer and the PACs have not made any decision on the reconstitution of the Board of Directors of the Target Company and no persons have been identified for such nomination.

2.1.9. As per Regulation 26(6) and 26(7) of SEBI (SAST) Regulations, 2011, the Board of Directors of the Target Company upon receipt of the DPS is required to constitute an independent committee of its Board of Directors to provide written reasoned recommendations on the Open Offer to the Shareholders and such recommendations shall be published at least two Working Days prior to the commencement of the Tendering Period in the same newspapers where the DPS was published and simultaneously a copy of such recommendation is required to be sent to SEBI, BSE, NSE and to the Manager to the Open Offer.

2.2. **Details of the Open Offer**

2.2.1. The PA announcing the Open Offer was made on 26 November 2012 to BSE and NSE and a copy thereof was also filed with SEBI and the Target Company at its registered office.

2.2.2. The DPS in respect of the Open Offer was published on 4 December 2012, in the following newspapers:

Newspaper	**Language**	**Editions**
The Economic Times	English	All editions
The Navbharat Times	Hindi	All editions
Maharashtra Times	Marathi	Mumbai edition
Jagbani	Punjabi	Punjab edition

A copy of the DPS was also sent to BSE, NSE, SEBI and the Target Company at its registered office. The PA and the DPS are also available on the SEBI website: www.sebi.gov.in

2.2.3. The Open Offer is being made by the Acquirer and the PACs to all Shareholders of the Target Company in terms of Regulation 6 of the SEBI (SAST) Regulations, 2011. The date of opening of the Tendering Period for the Open Offer is 17 January 2013.

2.2.4. The Open Offer is being made to all Shareholders of the Target Company for the acquisition of 13,389,410 Shares representing 31.84% of the Voting Share Capital.

2.2.5. The price being offered under this Open Offer is INR 3,900 per Share, in accordance with Regulation 8 of the SEBI (SAST) Regulations, 2011. The Open Offer Price will be payable in cash by the Acquirer, in accordance with Regulation 9(1) (a) of the SEBI (SAST) Regulations, 2011.

2.2.6. There are no partly paid-up Shares in the Target Company.

2.2.7. There is no differential price being offered for the Shares tendered in the Open Offer.

2.2.8. This Open Offer is not a competitive bid in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011. There has been no competing offer as of date of this Draft Letter of Offer.

2.2.9. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations, 2011. All Shares (up to the maximum number set out above) validly tendered in the Open Offer will be acquired by the Acquirer, in accordance with the terms and conditions contained in the DPS and this Draft Letter of Offer. In the event that the Shares tendered in the Open Offer by the Shareholders of the Target Company are more than the Shares to be acquired under the Open Offer, the acquisition of Shares from each Shareholder will be on a proportionate basis as detailed in paragraph 7.14 of this Draft Letter of Offer.

2.2.10. The Manager to the Open Offer does not hold any Shares as on the date of this Draft Letter of Offer.

2.2.11. In terms of Regulation 6(1) of the SEBI (SAST) Regulations, 2011, the Acquirer and the PACs have not acquired any Shares of the Target Company since the date of the PA and up to the date of this Draft Letter of Offer.

2.2.12. In terms of Regulation 6(1) of the SEBI (SAST) Regulations, 2011, during the Offer Period, the Acquirer or the PACs will not acquire any Shares other than those tendered in this Open Offer.

2.2.13. The Acquirer and the PACs may withdraw the Open Offer in accordance with the conditions specified in paragraph 6.12.2 of this Draft Letter of Offer. In the event of such withdrawal, the same would be notified, in accordance with Regulation 23 of the SEBI (SAST) Regulations, 2011, by way of a public announcement in the same newspapers in which the DPS had appeared and simultaneously inform in writing to SEBI, NSE, BSE and the Target Company at its registered office.

2.2.14. The Shares of the Target Company are listed on NSE and BSE. As per Clause 40A of the listing agreement read with Rule 19A of SCRR, the Target Company is required to maintain at least 25% public shareholding (i.e. Shares of the Target Company held by the public excluding the shares held by custodian against depository receipts issued overseas) as determined in accordance with the SCRR, on a continuous basis for listing. Pursuant to this Open Offer, the public shareholding in the Target Company shall not reduce below the minimum level required as per the listing agreements entered into by the Target Company with NSE and BSE read with Rule 19A of the SCRR.

2.3. **Object of the Open Offer**

2.3.1. The Open Offer gives the Acquirer and the PACs increased exposure to one of the world's fastest growing markets.

2.3.2. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, 2011, neither the Acquirer nor the PACs have any plans to sell, dispose of or otherwise encumber any material assets of the Target Company during the period of two years from the expiry of the Open Offer period except to the extent required (i) for the purposes of restructuring, rationalisation or reorganisation of assets, investments, business operations or liabilities of the Target Company (including discontinuation of existing product portfolios whether as per the global strategy of the GlaxoSmithKline group or otherwise); or (ii) in the ordinary course of business of the Target Company. It will be the responsibility of the Board of Directors of the Target Company to make appropriate decisions in these matters in accordance with the requirements of the business of the Target Company. Such approvals and decisions will be governed by the provisions of the relevant regulations or any other applicable laws or legislation at the relevant time. Further, during such period of two years, save as set out above, the Acquirer and the PACs undertake not to sell, dispose of or otherwise encumber any material assets of the Target Company except with the prior approval of the shareholders of the Target Company through a special resolution by way of a postal ballot in terms of Regulation 25(2) of the SEBI (SAST) Regulations, 2011.

3. BACKGROUND OF THE ACQUIRER AND PERSONS ACTING IN CONCERT

A. ACQUIRER

A1. GlaxoSmithKline Pte Ltd

3.1. The Acquirer is a private limited company incorporated under the laws of Singapore with its registered office at 150 Beach Road, #21-00 Gateway West, Singapore 189720.

3.2. The Acquirer was incorporated as Glaxo Orient (Pte.) Ltd. and on 4 October 1993, its name was changed to Glaxo Orient Pte Ltd. On 31 May 1995 its name was further changed to Glaxo Wellcome Orient Pte Ltd, which was again further changed to Glaxo Wellcome Asia Pacific Pte Limited on 6 June 1997. With effect from 15 March 2002, the name of the Acquirer was changed to GlaxoSmithKline Pte Ltd.

3.3. The principal activities of the Acquirer are promotion, import, export, sale of pharmaceutical and consumer healthcare products, and to act as the regional headquarters for the GlaxoSmithKline group's Asia Pacific operations.

3.4. The Acquirer is a wholly owned indirect subsidiary of GSK plc. As on 30 September 2012, the Acquirer is a wholly owned subsidiary of Setfirst Limited, which is a wholly owned subsidiary of GlaxoSmithKline Finance plc. GlaxoSmithKline Finance plc is a wholly owned subsidiary of GlaxoSmithKline Holdings Limited, which in turn is a wholly owned subsidiary of GSK plc. Each of the intermediate companies (with the exception of GlaxoSmithKline Finance plc) is a private limited liability company incorporated under the laws of England and Wales. GlaxoSmithKline Finance plc is a public limited company incorporated under the laws of England and Wales.

3.5. The Acquirer's equity shares are not listed on any stock exchange.

3.6. Names, details of experience, qualification, and date of appointment of the directors on the Board of Directors of the Acquirer, are as follows:

Sr. No.	Name	Date of Appointment	Qualifications and Experience
1.	Mr Oleg Dubianskij	15 October 2012	Mr Dubianskij currently holds the position of Vice President of Finance for the pharmaceuticals business in Asia Pacific. Mr Dubianskij joined GlaxoSmithKline in 1998 and has held multiple finance roles in GlaxoSmithKline group including in Lithuania and Poland before becoming Financial Controller, Russia Pharmaceuticals and then Finance Director, Russia and Kazakhstan based in Moscow. Prior to his promotion into his current role he held a combined role as CIS Finance Director and Finance Controller for Emerging Markets and Asia Pacific.
2.	Dr. Fabio Hernan Landazabal Suarez	11 April 2011	Dr. Landazabal currently holds the position of Senior Vice President and Area Director for the GlaxoSmithKline group's pharmaceuticals business in Asia Pacific. Dr. Landazabal joined GlaxoSmithKline in 1999 and has held numerous senior commercial roles, including Latina Vaccines and Pharmaceuticals Marketing Director, Argentina Marketing Director and General Manager for Argentina and Southern Cone. Prior to promotion into his current role he was Vice President and General Manager of Russia. Effective 1 January 2013 Dr. Landazabal has been appointed Senior Vice President for Latin America pharmaceuticals. Dr.Landazabal is a Doctor in Medicine from the Colombian School of Medicine and also holds an MBA from the Universidad CESA in Bogota
3.	Mr Shane Cecil Renders	25 April 2011	Mr Renders currently holds the position of Vice President of Finance for the GlaxoSmithKline group's consumer business in Asia Pacific, Latin America, Africa and the Middle East. He joined GlaxoSmithKline in 1999 and has held various positions in Finance, in the UK and abroad. Prior to joining GlaxoSmithKline, Mr Renders was a Senior Manager at Coopers & Lybrand. Mr Renders is a qualified Chartered Accountant and has completed an Executive MBA at Insead.

3.7. None of the directors of the Acquirer are directors on the Board of Directors of the Target Company.

3.8. The Acquirer's financial information based on its audited standalone financial statements as at and for financial years ended 31 December 2009, 31 December 2010 and 31 December 2011 audited by PricewaterhouseCoopers LLP, the statutory auditors of the Acquirer, and its interim unaudited standalone financial statements as at and for 9 months ended 30 September 2012, which have been subject to review based on ISRE2410 by PricewaterhouseCoopers LLP, are as follows:-

(Amount in SGD thousands and INR million except per share data)

Profit & Loss Statement	As at and for the 12 months period ending 31 December						As at and for the 9 months period ending	
	2009		2010		2011		30 September 2012	
	SGD	INR	SGD	INR	SGD	INR	SGD	INR
Income from Operations / Total Revenue / Turnover	311,983	14,218	313,336	14,279	340,195	15,503	286,118	13,039
Other Income(1)	23	1	4	0	-	-	-	-
Total Income	312,006	14,219	313,340	14,279	340,195	15,503	286,118	13,039
Total Expenditure(2)	288,833	13,162	310,444	14,147	329,369	15,010	279,388	12,732
Profit before Depreciation Interest and Tax	23,173	1,056	2,896	132	10,826	493	6,730	307
Depreciation and amortisation	1,360	62	1,747	80	1,684	77	1,314	60
Interest	308	14	954	43	2,756	126	2,535	116
Profit Before Tax	21,505	980	195	9	6,386	291	2,881	131
Provision for Tax	4,233	193	2,432	111	2,888	132	343	16
Profit after Tax / Net Income / Net Profit	17,272	787	(2,237)	(102)	3,498	159	2,538	116

Balance Sheet Statement	As at and for the 12 months period ending 31 December						As at and for the 9 months period ending	
	2009		2010		2011		30 September 2012	
	SGD	INR	SGD	INR	SGD	INR	SGD	INR
Sources of Funds								
Paid up share capital	33,225	1,514	33,225	1,514	33,225	1,514	33,225	1,514
Reserves and Surplus (excluding revaluation reserves) (3)	80,008	3,646	78,264	3,567	82,052	3,739	84,590	3,855
Net worth	113,233	5,160	111,489	5,081	115,277	5,253	117,815	5,369
Secured loans	-	-	-	-	-	-	-	-
Unsecured loans(4)	28,314	1,290	9,617	438	-	-	-	-
Total	**141,547**	**6,450**	**121,106**	**5,519**	**115,277**	**5,253**	**117,815**	**5,369**
Uses of Funds								
Net fixed assets	2,529	115	2,477	113	3,143	143	2,787	127
Investments	82,249	3,748	67,970	3,097	280,781	12,796	309,879	14,122
Net current assets / (liabilities)	56,769	2,587	50,308	2,293	(168,795)	(7,692)	(194,999)	(8,887)
Deferred tax asset	-	-	351	16	148	7	148	7
Total miscellaneous expenditure not written off	-	-	-	-	-	-	-	-
Total	**141,547**	**6,450**	**121,106**	**5,519**	**115,277**	**5,253**	**117,815**	**5,369**

Other Financial Data	As at and for the 12 months period ending 31 December						As at and for the 9 months period ending	
	2009		2010		2011		30 September 2012	
	SGD	INR	SGD	INR	SGD	INR	SGD	INR
Dividend (%)(5)	-	-	-	-	-	-	-	-
Earnings per share ("EPS")(6)	0.52	23.70	(0.07)	(3.19)	0.11	5.01	0.08	3.48

Note: Since the financial statements of the Acquirer are prepared in SGD, the functional currency of the Acquirer, they have been converted into INR for purpose of convenience of translation.

Source: The standalone financial information set forth above (with the exception of EPS, see note below) has been extracted from the audited standalone financial statements of the Acquirer as at and for years ended 31 December 2009, 31 December 2010 and 31 December 2011 prepared in accordance with Singapore Financial Reporting Standards and audited by PricewaterhouseCoopers LLP. The interim standalone financial information set forth above for the 9 months ended 30 September 2012 has been extracted from the unaudited condensed financial statements prepared in accordance with Singapore Financial Reporting Standards, which have been subject to review based on ISRE2410 by PricewaterhouseCoopers LLP, the statutory auditors of the Acquirer.

(1) Other Income comprises interest income

(2) Total expenditure includes cost of sales, selling and distribution, administrative and other expenses but excludes depreciation and amortisation expenses

(3) Includes options reserves and retained earnings.

(4) Includes deferred tax liabilities.

(5) Dividend / Face value of one GSK Pte share

(6) EPS has been calculated for the purpose of this Draft Letter of Offer as the Profit after Tax / Net Income / Net Profit for the period divided by the number of ordinary shares outstanding at the balance sheet date of the relevant period. EPS is not disclosed in either the audited standalone financial statements of the Acquirer, or its unaudited interim financial statements.

3.9. The Acquirer does not have any major contingent liabilities as at 30 September 2012.

3.10. The Acquirer is in compliance with the corporate governance requirements set out in the Singapore Companies Act (Cap. 50) to which it is subject. The Acquirer has appointed Ms Peggy Lim as its company secretary under applicable laws.

3.11. The Acquirer does not hold any Shares of the Target Company and hence provisions of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations, 2011 with respect to the Target Company are not applicable.

3.12. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of any directions issued under Section 11B or any other regulations made under the SEBI Act.

3.13. The Acquirer does not hold any Shares or voting rights of the Target Company. The Acquirer does not have any representatives on the Board of Directors of the Target Company. The Acquirer has certain commercial transactions with the Target Company as set out below:

(Amount in INR million)

Description of the nature of the transaction	Financial Year ending 31 December 2010	Financial Year ending 31 December 2011
Reimbursements of Expenses (Paid / Payable)	10.72	2.02

Source: Annual Report of the Target Company for the year ended 31 December 2011. Further, the Target Company has not published detailed schedules for quarterly results and consequently the financial information subjected to Limited Review and disclosed herein for the 9 months ending 30 September 2012 does not provide details of related party transactions.

B. PERSONS ACTING IN CONCERT (*)

B1. Horlicks Limited ("Horlicks")

3.14. Horlicks is a private limited liability company incorporated under the laws of England and Wales with its registered office at 980 Great West Road, Brentford, Middlesex, TW8 9GS, United Kingdom.

3.15. The company was known as Horlicks Malted Milk Company Limited until 18 January 1937.

3.16. Horlicks is an investment holding company. Horlicks holds 18,152,243 Shares of the Target Company representing 43.16% of the Voting Share Capital.

3.17. Horlicks is a wholly owned indirect subsidiary of GSK plc. As on 30 September 2012, Horlicks is a wholly owned subsidiary of SmithKline Beecham Limited, which is a wholly owned subsidiary of GlaxoSmithKline Finance plc. GlaxoSmithKline Finance plc is a wholly owned subsidiary of GlaxoSmithKline Holdings Limited, which in turn is a wholly owned subsidiary of GSK plc. Each of the intermediate companies (with the exception of GlaxoSmithKline Finance plc) is a private limited liability company incorporated under the laws of England and Wales. GlaxoSmithKline Finance plc is a public limited company incorporated under the laws of England and Wales.

3.18. Horlicks' equity shares are not listed on any stock exchange.

3.19. Horlicks directly holds 43.16% of the Voting Share Capital of the Target Company and is the current promoter of the Target Company. Three members of the Board of Directors of the Target Company i.e. Mr. Simon J. Scarff, Mr. Zubair Ahmed and Mr. Ramakrishnan Subramanian are representatives of Horlicks.

3.20. The Target Company is a non-exclusive sub-licensee in India, Nepal and Bhutan of certain trademarks (including Horlicks^{TM}) owned by Horlicks under a licence which provides that it can be terminated by either party at 90 days notice.

3.21. Names, details of experience, qualification and date of appointment of the directors of Horlicks are as follows:

Sr. No.	Name	Date of Appointment	Qualifications and Experience
1.	Mr. Paul Blackburn	9 Sep 2009	Mr Blackburn holds the position of Senior Vice President and Financial Controller of the GlaxoSmithKline group. He was appointed SVP Financial Controller in April 2005 and prior to this was Corporate Controller for six years. Joining GlaxoSmithKline in September 1977 as a financial analyst, Mr Blackburn held multiple finance positions of increasing responsibility across the UK, Ireland, USA and Belgium – all within commercial management. Prior to GlaxoSmithKline, he was an auditor with Cadbury Schweppes Plc. He is a qualified accountant and holds a Bachelor of Management Science from Warwick University, and is a member of the Chartered Institute of Management Accountants.
2.	Edinburgh Pharmaceutical Industries Limited	19 Feb 2001	Corporate director
3.	Glaxo Group Limited	19 Feb 2001	Corporate director

3.22. Horlicks' financial information based on its audited standalone financial statements as at and for the financial years ended 31 December 2009, 31 December 2010 and 31 December 2011 audited by PricewaterhouseCoopers LLP, the statutory auditors of Horlicks and its interim unaudited standalone financial statements as at and for the 9 months ended 30 September 2012, which have been subject to review based on ISRE2410 by PricewaterhouseCoopers LLP, are as follows:-

(Amount in GBP thousands and INR million except per share data)

Profit & Loss Statement	As at and for the 12 months period ending 31 December						As at and for the 9 months period ending	
	2009		2010		2011		30 September 2012	
	GBP	INR	GBP	INR	GBP	INR	GBP	INR
Income from Operations / Total Revenue / Turnover	-	-	-	-	-	-	-	-
Other Income[(1)]	1,256	112	4,949	441	12,485	1,114	7,885	703
Total Income	1,256	112	4,949	441	12,485	1,114	7,885	703
Total Expenditure	7	1	7	1	8	1	9	1
Profit before Depreciation Interest and Tax	1,249	111	4,942	441	12,477	1,113	7,876	703
Depreciation and amortisation	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Profit Before Tax	1,249	111	4,942	441	12,477	1,113	7,876	703
Provision for Tax	7	1	8	1	23	2	21	2
Profit after Tax / Net Income / Net Profit	1,242	111	4,934	440	12,454	1,111	7,855	701

Balance Sheet Statement	As at and for the 12 months period ending 31 December						As at and for the 9 month period ending	
	2009		2010		2011		30 September 2012	
	GBP	INR	GBP	INR	GBP	INR	GBP	INR
Sources of Funds								
Paid up share capital	1,420	127	1,420	127	1,420	127	1,420	127
Reserves and Surplus (excluding revaluation reserves) [(2)]	7,317	653	12,251	1,093	24,705	2,204	32,560	2,904
Net worth	8,737	779	13,671	1,219	26,125	2,330	33,980	3,031
Secured loans	-	-	-	-	-	-	-	-
Unsecured loans	-	-	-	-	-	-	-	-
Total	8,737	779	13,671	1,219	26,125	2,330	33,980	3,031
Uses of Funds								
Net fixed assets	-	-	-	-	-	-	-	-
Investments	2,891	258	2,891	258	2,891	258	2,891	258
Net current assets	5,846	521	10,780	962	23,234	2,072	31,089	2,773
Deferred tax asset	-	-	-	-	-	-	-	-
Total miscellaneous expenditure not written off	-	-	-	-	-	-	-	-
Total	8,737	779	13,671	1,219	26,125	2,330	33,980	3,031

Other Financial Data	As at and for the 12 months period ending 31 December						As at and for the 9 months period ending	
	2009		2010		2011		30 September 2012	
	GBP	INR	GBP	INR	GBP	INR	GBP	INR
Dividend (%)[(3)]	-	-	-	-	-	-	-	-
Earnings per share("EPS")[(4)]	0.22	19.62	0.87	77.60	2.19	195.34	1.38	123.35

Note: Horlicks is an investment holding company and income from shares in group undertakings is the key source of its earnings. Since the financials for Horlicks are presented in GBP they have been converted into INR for purpose of convenience of translation.

Source: The standalone financial information set forth above (with the exception of EPS, see note below) has been extracted from the audited standalone financial statements of Horlicks as at and for years ended 31 December 2009, 31 December 2010 and 31 December 2011 prepared in accordance with the UK Companies Act 2006 and applicable UK Accounting Standards and audited by PricewaterhouseCoopers LLP. The interim standalone financial information set forth above for the 9 months ended 30 September 2012 has been extracted from Horlicks' unaudited non-statutory financial statements, which have been subject to review based on audit standard ISRE2410 by PricewaterhouseCoopers LLP, the statutory auditors of Horlicks.

(1) Other Income includes income from shares in group undertakings and interest receivable.
(2) Includes share premium account, profit and loss account and other reserves.
(3) Dividend / Face value of one Horlicks share
(4) EPS has been calculated for the purpose of this Draft Letter of Offer as the Profit after Tax / Net Income / Net Profit for the period divided by the number of ordinary shares outstanding. EPS is not disclosed in either the audited standalone financial statements of Horlicks, or its unaudited interim standalone financial statements.

3.23. Horlicks does not have any major contingent liabilities as at 30 September 2012.

3.24. Horlicks is in compliance with the corporate governance rules and regulations to which it is subject to under applicable laws. Horlicks has appointed Edinburgh Pharmaceuticals Industries Limited as company secretary under applicable laws.

3.25. Horlicks has been in compliance with the applicable provisions of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations, 2011 with respect to the Target Company, within the time specified in the regulations. Details of such compliances are set forth herein below:

Sl. No.	Regulation/ Sub-regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in No. of days)	Status Of compliance with SEBI (SAST) Regulations	Remarks
1	8(1)	21.04.2002	NA	NA	NA	NA
2	8(2)	21.04.2002	02.04.2002	-	Complied	-
3	8(1)	21.04.2003	NA	NA	NA	NA
4	8(2)	21.04.2003	18.04.2003	-	Complied	-
5	8(1)	21.04.2004	NA	NA	NA	NA
6	8(2)	21.04.2004	05.04.2004	-	Complied	-
7	8(1)	21.04.2005	NA	NA	NA	NA
8	8(2)	21.04.2005	31.03.2005	-	Complied	-
9	8(1)	21.04.2006	NA	NA	NA	NA
10	8(2)	21.04.2006	31.03.2006	-	Complied	-
11	8(1)	21.04.2007	NA	NA	NA	NA
12	8(2)	21.04.2007	02.04.2007	-	Complied	-
13	8(1)	21.04.2008	NA	NA	NA	NA
14	8(2)	21.04.2008	03.04.2008	-	Complied	-
15	8(1)	21.04.2009	NA	NA	NA	NA
16	8(2)	21.04.2009	01.04.2009	-	Complied	-
17	8(1)	21.04.2010	NA	NA	NA	NA
18	8(2)	21.04.2010	06.04.2010	-	Complied	-
19	8(1)	21.04.2011	NA	NA	NA	NA
20	8(2)	21.04.2011	01.04.2011	-	Complied	-
21	7(1) & (2)	NA	NA	NA	NA	NA
22	7(1) & (2)	NA	NA	NA	NA	NA
23	7(1A) & (2)	NA	NA	NA	NA	NA
24	29(2)	NA	NA	NA	NA	NA
25	30 (1)/(2)	07.04.2012	03.04.2012	-	Complied	-
26	31(1)	NA	NA	NA	NA	NA
27	31(2)	NA	NA	NA	NA	NA

Note: References to 8(1), 8(2), 7(1), 7(1A) and 7(2) are references to Regulations 8(1), 8(2), 7(1), 7(1A) and 7(2) of SEBI (SAST) Regulations, 1997, and references to 29(2), 30(2), 31(1) and 31(2) are references to Regulations 29(2), 30(2), 31(1) and 31(2) of SEBI (SAST) Regulations, 2011.

3.26. Horlicks has not been prohibited by SEBI from dealing in securities, in terms of any directions issued under Section 11B or any other regulations made under the SEBI Act.

3.27. Horlicks has certain commercial transactions with the Target Company as set out below:

(Amount in INR million)

Description of the nature of the transaction	Financial Year ending 31 December 2010	Financial Year ending 31 December 2011
Dividend Paid	326.74	907.61

Source: Annual Report of the Target Company for the year ended 31 December 2011. Further, the Target Company has not published detailed schedules for quarterly results and consequently the financial information subjected to Limited Review and disclosed herein for the 9 months ending 30 September 2012 does not provide details of related party transactions.

B2. GlaxoSmithKline plc ("GSK plc")

3.28. GSK plc is a public limited company incorporated under the laws of England and Wales with its registered office at 980 Great West Road, Brentford, Middlesex, TW8 9GS, United Kingdom.

3.29. GSK plc was established in the year 2000 by merging Glaxo Wellcome plc (formed from the acquisition of Wellcome plc by Glaxo plc) and Smithkline Beecham plc (formed by merging Beecham plc and Smithkline Beckman Corporation, which was formed by combining the Smithkline French and Beckman companies).

3.30. GSK plc was incorporated under the UK Companies Act 1985 under the name of Trushelf Co (No. 2577) Limited on 6 December 1999. It changed its name to GlaxoSmithKline Limited on 14 January 2000 and re-registered as a public limited company on 22 May 2000. On 21 June 2000, it changed its name to GlaxoSmithKline plc and has not changed its name since.

3.31. GSK plc is a global healthcare company that researches and develops a broad range of innovative products. It operates in three primary areas of business - Pharmaceuticals, Vaccines and Consumer Healthcare. More information in this regard can be found at www.gsk.com.

3.32. GSK plc is the ultimate parent company of the GlaxoSmithKline group, including the Acquirer. GSK plc is a widely held listed company with a diverse public shareholding base. No person has a controlling ownership interest in GSK plc. Public filings do not identify any person as the promoter of GSK plc.

3.33. GSK plc has been listed on the London Stock Exchange since December 2000.

3.34. Names, details of experience, qualification and date of appointment of the directors on the Board of Directors of GSK plc, are as follows:

Sr. No.	Name	Date of Appointment	Qualifications and Experience
1.	Sir Christopher Gent Non-Executive Chairman	1 June 2004	Sir Christopher became Chairman of GSK plc on 1 January 2005 after joining the Board as Deputy Chairman on 1 June 2004. Sir Christopher was formerly the Chief Executive Officer of Vodafone Group plc. Prior to his retirement from Vodafone in July 2003, he had been a member of its board since August 1985 and its Chief Executive Officer since January 1997. He was also Chairman of the Supervisory Board of Mannesmann AG; a Non-Executive Director of China Mobile (Hong Kong) Limited; and on the board of Verizon Wireless. He joined Vodafone as Managing Director of Vodafone Limited in January 1985 when the mobile phone service was first launched, and held that position until December 1996. Prior to joining Vodafone, Sir Christopher was Director of Network Services at International Computers Limited (ICL). In this role, he was Managing Director of Baric, a computer services company owned jointly by Barclays and ICL, and was responsible for ICL's computer bureau services worldwide. Sir Christopher was also formerly a Non-Executive Director of Lehman Brothers Holdings Inc. Sir Christopher served as the National Chairman of the Young Conservatives from 1977 to 1979, and was Vice President of the Computer Services Association Council at the time he left ICL.
2.	Sir Andrew Witty Chief Executive Officer	31 January 2008	Sir Andrew became Chief Executive Officer of GSK plc on 21 May 2008. He is a member of the Board and

	(CEO)		Corporate Executive Team. He joined Glaxo in 1985 and has held a variety of Sales and Marketing roles in the UK and abroad including working in the Company's International New Products groups, both in the Respiratory and HIV/Infectious disease fields. Outside of the UK he has worked in South Africa, the USA and Singapore where he led the Group's operations as Senior Vice President, Asia Pacific. While in Singapore Andrew was a Board Member of the Singapore Economic Development Board and the Singapore Land Authority. In 2003 he was awarded the Public Service Medal by the Government of Singapore and in August 2012 was also awarded the Public Service Star. In 2003 Sir Andrew was appointed President of GSK Europe, and joined GSK's Corporate Executive Team. Sir Andrew has served in numerous advisory roles to Governments around the world including South Africa, Singapore, Guangzhou China and the UK, where he is currently a member of the Prime Minister's Business Advisory Group and is the Lead Non-Executive Director for the Department for Business Innovation and Skills. He was awarded a knighthood for services to the economy and to the UK pharmaceutical industry in the 2012 New Year Honours List. Sir Andrew has been appointed Chancellor of the University of Nottingham, and will take up the post on 1 January 2013. He is President of the European Federation of Pharmaceutical Industries and Associations (EFPIA) a position he took up on 1 January 2010. Sir Andrew has a Joint Honours BA in Economics from the University of Nottingham.
3.	Professor Sir Roy Anderson Independent Non-Executive Director	1 October 2007	Sir Roy is the Professor of Infectious Disease Epidemiology in the Faculty of Medicine, Imperial College, London. He is Chairman and member of the International Advisory Board of Hakluyt & Co Ltd, Chairman of the Baccalaureate Steering Group - Pearson Education Ltd and is a Trustee of the Natural History Museum. He is a Fellow and member of the Policy Advisory Board of the Royal Society, the Academy of Medical Sciences and the Royal Statistical Society. He is an Honorary Fellow of the Institute of Actuaries and a Foreign Associate Member of the Institute of Medicine at the US National Academy of Sciences and the French Academy of Sciences. His former positions include Rector of Imperial College and Chief Scientific Adviser at the Ministry of Defence in the UK. Sir Roy has published over 450 scientific papers on the epidemiology, population biology, evolution and control of a wide variety of infectious disease agents, including HIV, BSE, vCJD, parasitic helminths and protozoa, and respiratory tract viral and bacterial infections. His principal research interests are epidemiology, biomathematics, demography, parasitology, immunology and health economics. He also has a keen interest in science policy and the public understanding of science. He received a knighthood in the Queen's Birthday

			Honours in June 2006.
4.	Dr. Stephanie Burns Independent Non-Executive Director	12 February 2007	Dr. Burns was formerly Chairman, President and Chief Executive Officer of Dow Corning Corporation, until her retirement on 31 December 2011. Dr. Burns was appointed a Non-Executive Director of Corning Inc. on 31 January 2012. She sits on the US President's Export Council, is a former Chairman of the American Chemistry Council, and an officer of the Society of Chemical Industry, America Section. She has also served on the boards of the Michigan Molecular Institute and the Society for Women's Health Research. Dr. Burns joined Dow Corning in 1983 as a researcher working on water based and high temperature elastomers. She became director of Women's Health in 1994 and subsequently moved into corporate management becoming Science and Technology Director for Europe in 1997. She was first elected to Dow Corning's Board of Directors in December 2000, she was President and Chief Executive Officer from February 2003 until 2011, Chief Operating Officer from January 2004 until 2011 and was Chairman from January 2006 to December 2011. Dr. Burns holds a Ph.D. in organic chemistry, with an organosilicon specialty, from Iowa State University. She completed her post-doctoral studies at the Universite Montpellier, Sciences et Techniques du Languedoc, France.
5.	Ms Stacey Cartwright Non-Executive Director	1 April 2011	Ms Cartwright joined Burberry Group plc as Chief Financial Officer in 2003 and was appointed Executive Vice President, Chief Financial Officer in June 2008. She is also responsible for IT, Legal and Intellectual Property and runs Planning and Pricing for the business. Previously she held the role of Chief Financial Officer at Egg plc between 1999 and 2003, and from 1988 to 1999 she worked in various finance-related positions at Granada Group plc.
6.	Sir Crispin Davis Independent Non-Executive Director	1 July 2003	Sir Crispin is Chairman and a Director of StarBev Netherlands B.V., a member of Citigroup's Global Advisory Board and serves on the Council of Oxford University. He was previously Chief Executive of Reed Elsevier plc. Prior to that, he was Chief Executive of Aegis Group plc, which he joined from Guinness plc, where he was a member of the main Board and Group Managing Director of United Distillers. In his earlier career he worked for Procter and Gamble where he was President of the North American Food Division. He was knighted in 2004 for his services to the information industry.
7.	Mr Simon Dingemans Chief Financial Officer	4 January 2011	Mr Dingemans became Chief Financial Officer in April 2011 after joining as Chief Financial Officer Designate in January 2011. He is a member of the Board and the Corporate Executive Team. Mr Dingemans joined GSK from Goldman Sachs where he was a Managing Director and Partner. He has over 25 years experience in investment banking, including most recently as leader of Goldman Sachs' European M&A business and before that as head of UK Investment Banking. He joined Goldman Sachs in 1995, becoming Head of UK Investment Banking in 2000 and leader of Goldman Sachs' European Mergers and Acquisitions business in 2007. During this time, Mr Dingemans had specific

			responsibility for many of the largest and most complex transactions that were carried out by Goldman Sachs in Europe, whilst continuing to have responsibility for a broad range of key UK client relationships, with a primary focus on large corporations. Prior to joining the Company, Mr Dingemans worked with GSK for over a decade and was closely involved in a number of GSK's most important financial and strategic projects during that time, including, most recently, the establishment of ViiV Healthcare. His varied experience across a broad range of sectors during his time at Goldman Sachs has also resulted in direct experience of many of the different healthcare sectors and geographies currently served by GSK, including consumer as well as pharmaceutical markets. After receiving a Masters degree in Geography from Oxford University in 1985, Mr Dingemans joined S.G. Warburg Group, the investment banking firm which specialised in mergers and acquisitions, becoming one of its youngest directors in 1994.
8.	Ms Judy Lewent Independent Non-Executive Director	1 April 2011	Ms Lewent served as Executive Vice President and Chief Financial Officer of Merck & Co., Inc. until September 2007. She also served as Chief Financial Officer starting in 1990 and held various other financial and management positions after joining Merck in 1980. Ms Lewent is also a director of Thermo Fisher Scientific Inc. and Motorola Solutions Inc. She served on the Boards of Motorola Inc. from 1995 until May 2010 and Dell Inc. from 2001 to 2011. She previously served on the Board of Quaker Oats Company. Since 2009, Ms Lewent has served on the Boards of Purdue Pharma Inc., Napp Pharmaceutical Holdings Limited and certain Mundipharma International Limited companies as a Non-Executive Director. She is also a Trustee and the Chairperson of the Audit Committee of the Rockefeller Family Trust, a life member of the Massachusetts Institute of Technology Corporation and a member of the American Academy of Arts and Sciences.
9.	Ms. Lynn Elsenhans Independent Non-Executive Director	1 July 2012	Ms Elsenhans was formerly Chair, President and Chief Executive Officer of Sunoco Inc. She joined Sunoco in 2008 as Chief Executive Officer and President, and was appointed Chair in 2009. She was President and Chief Executive Officer until March 2012, and was Chair until May 2012. Ms Elsenhans was appointed as a Non-Executive Director of Baker Hughes Incorporated in May 2012. Prior to joining Sunoco, she worked for Royal Dutch Shell, which she joined in 1980, and where she held a number of senior roles. From 2005 to 2008, she was Vice President, Global Manufacturing. She has a BA in Mathematical Sciences from Rice University, Houston and an MBA from Harvard University.
10.	Sir Deryck Maughan Independent Non-Executive Director	1 June 2004	Sir Deryck is a Partner of Kohlberg Kravis Roberts & Co. He is a Non-Executive Director of Thomson Reuters and BlackRock, Inc., as well as serving on the board of directors of Lincoln Centre and is a trustee of New York University Langone Medical Centre. Sir Deryck was formerly Chairman and Chief Executive Officer of Citigroup International and of Salomon

			Brothers Inc. He served as Vice Chairman of the New York Stock Exchange from 1996 to 2000.
11.	Dr. Daniel Podolsky Independent Non-Executive Director	1 July 2006	Dr. Podolsky is President of the University of Texas Southwestern Medical Centre in Dallas and holds the Philip O'Bryan Montgomery, Jr M.D. Distinguished Presidential Chair in Academic Administration, and the Doris and Bryan Wildenthal Distinguished Chair in Medical Science. Dr. Podolsky is member and President of the Southwestern Medical District, member of the Institute of Medicine of the US National Academy of Sciences, member of the Council of Teaching Hospitals of the Association of Academic Medical Centres, member of the Board of the Southwestern Medical Foundation and is a Director of Antibe Therapeutics, Inc. Previously, he served as Co-Chairman of the Board and Scientific Co-Founder of the GI Company, Inc, served as the Chief Academic Officer of Partners HealthCare System and was formerly Mallinckrodt Professor of Medicine and Chief of Gastroenterology at Massachusetts General Hospital and Harvard Medical School. Dr. Podolsky is a world-renowned researcher who has advanced knowledge of underlying mechanisms of disease and new therapies for gastrointestinal disorders. He is also an international authority on trefoil proteins and innate immunity. Dr. Podolsky has published and patented widely in his field, He is past editor-in-chief of Gastroenterology, the leading journal in the field, and is immediate Past President of the American Gastroenterological Association.
12.	Dr. Moncef Slaoui Chairman, Research & Development	17 May 2006	Dr. Slaoui became Chairman, Research & Development in June 2006. He is a member of the Board and the Corporate Executive Team. Dr. Slaoui was given overall responsibility for GSK's Oncology Business in 2010 and for GSK Vaccines in 2011. In his previous position as Senior Vice President, Worldwide Business Development and External Alliances, he served on the R&D Executive Team and spearheaded recent changes in R&D to enhance drug discovery and accelerate product development. Previously, in GSK Vaccines, he engineered the development of a robust vaccines pipeline, including Rotarix, to prevent infantile gastroenteritis, and Cervarix, to prevent cervical cancer. Following a career in academia, he has demonstrated since joining the company in 1988 that he can create a strategic vision and then vigorously pursue it to develop new products that profoundly enhance healthcare. Dr. Slaoui earned a PhD in Molecular Biology and Immunology from the Université Libre de Bruxelles, Belgium, and completed postdoctoral studies at Harvard Medical School and Tufts University School of Medicine, Boston. He was Professor of Immunology at the University of Mons, Belgium. Dr. Slaoui has authored more than 100 scientific papers and presentations. He was a member of the Board of the Agency for Science, Technology & Research (A*STAR) until January 2011. A citizen of Morocco and Belgium, he is fluent in English, French, and Arabic.

13.	Mr Tom de Swaan Independent Non-Executive Director	1 January 2006	Mr de Swaan is Chairman of the Supervisory Board of VanLanschot Bankiers, a member of the board of directors of Zurich Financial Services and a Non-Executive Member of the KPMG Europe LLP Public Interest Committee. He is also Vice Chairman of the Supervisory Board and Chairman of the Audit Committee of Royal Ahold and a member of the Supervisory Board of Royal DSM. He was previously a member of the Managing Board and Chief Financial Officer of ABN AMRO. He holds a masters degree in economics and was a Non-Executive Director of the Financial Services Authority from 2001 to 2007.
14.	Ms Jing Ulrich Non-Executive Director	1 July 2012	Ms Ulrich was appointed to her current position as Managing Director and Chair of Global Markets, China, at JP Morgan in 2005. She is an independent director of Ermenegildo Zegna SpA. From 2003 to 2005, she worked for Deutsche Bank as managing director, Equity Research and managing director, for Greater China. She previously held financial positions, specialising in the Asia Pacific region, with Credit Lyonnais and the Emerging Markets Group. In her current role at JP Morgan, she acts as an adviser to the world's largest asset management companies and also advises Chinese companies making investments overseas. Ms Ulrich was educated at Harvard and Stanford universities.
15.	Sir Robert Wilson Senior Independent Non-Executive Director	1 November 2003	Sir Robert is currently Senior Adviser at Morgan Stanley and served as Chairman of BG Group plc, until May 2012. He was previously Executive Chairman of Rio Tinto plc until his retirement in October 2003 and Chairman of the Economist Group between 2003 and 2009.

3.35. GSK plc does not directly nominate or appoint any of the members on the Board of Directors of the Target Company. None of the directors of GSK plc are directors on the Board of Directors of the Target Company.

3.36. GSK plc's financial information based on its audited consolidated financial statements as at and for financial years ended 31 December 2009, 31 December 2010 and 31 December 2011, and its unaudited consolidated interim financial statement as at and for 9 months ended 30 September 2012 are as follows:-

(Amount in GBP million and INR billion except per share data)

Profit & Loss Statement	As at and for the 12 months period ending 31 December						As at and for the 9 months period ending	
	2009		2010		2011		30 September 2012	
	GBP	INR	GBP	INR	GBP	INR	GBP	INR
Income from Operations / Total Revenue / Turnover	28,368	2,530	28,392	2,532	27,387	2,443	19,629	1,751
Other Income[(1)]	1,384	123	698	62	1,277	114	1,185	106
Total Income	29,752	2,654	29,090	2,595	28,664	2,557	20,814	1,857
Total Expenditure[(2)]	19,516	1,741	23,423	2,089	18,744	1,672	14,191	1,266
Profit before Depreciation Interest and Tax	10,236	913	5,667	505	9,920	885	6,623	591
Depreciation and amortization [(3)]	1,562	139	1,679	150	1,423	127	1,060	95
Interest	783	70	831	74	799	71	622	55
Profit Before Tax	7,891	704	3,157	282	7,698	687	4,941	441
Provision for Tax	2,222	198	1,304	116	2,240	200	1,036	92
Profit attributable to non-	138	12	219	20	197	18	204	18

Profit & Loss Statement	As at and for the 12 months period ending 31 December						As at and for the 9 months period ending	
	2009		2010		2011		30 September 2012	
	GBP	INR	GBP	INR	GBP	INR	GBP	INR
controlling interests								
Profit after Tax / Net Income / Net Profit[4]	5,531	493	1,634	146	5,261	469	3,701	330

Balance Sheet Statement	As at and for the 12 months period ending 31 December						As at and for the 9 months period ending	
	2009		2010		2011		30 September 2012	
	GBP	INR	GBP	INR	GBP	INR	GBP	INR
Sources of Funds								
Paid up share capital	1,416	126	1,418	126	1,387	124	1,361	121
Reserves and Surplus (excluding revaluation reserves) [5]	8,589	766	7,469	666	6,645	593	4,862	434
Net worth	10,005	892	8,887	793	8,032	716	6,223	555
Secured loans	-	-	-	-	-	-	-	-
Unsecured loans[6]	20,002	1,784	19,691	1,756	17,243	1,538	19,461	1,736
Non-controlling interests	737	66	858	77	795	71	805	72
Total	30,744	2,742	29,436	2,626	26,070	2,325	26,489	2,363
Uses of Funds								
Net fixed assets[7]	21,569	1,924	21,836	1,948	20,914	1,865	22,489	2,006
Investments[8]	1,349	120	1,792	160	1,150	103	1,489	133
Net current assets / (liabilities)	5,452	486	3,242	289	1,157	103	(471)	(42)
Deferred tax asset	2,374	212	2,566	229	2,849	254	2,982	266
Total miscellaneous expenditure not written Off	-	-	-	-	-	-	-	-
Total	**30,744**	**2,742**	**29,436**	**2,626**	**26,070**	**2,325**	**26,489**	**2,363**

Other Financial Data	As at and for the 12 months period ending 31 December						As at and for the 9 months period ending	
	2009		2010		2011		30 September 2012	
	GBP	INR	GBP	INR	GBP	INR	GBP	INR
Dividend (%)[9]	244.0%	244.0%	260.0%	260.0%	300.0%	300.0%	208.0%	208.0%
Earnings per share ("EPS") (basic)	1.09	97.22	0.32	28.54	1.05	93.66	0.75	66.90

Note: Since the financials for GSK plc are presented in GBP they have been converted into INR for purpose of convenience of translation.

Source: The consolidated financial information of GSK plc set forth above has been extracted from GSK plc's audited consolidated financial statements as at and for years ended 31 December 2009, 31 December 2010 and 31 December 2011, which have been prepared in accordance with IAS and IFRS as adopted by the European Union and have been audited by PricewaterhouseCoopers LLP, GSK plc's statutory auditors. The interim consolidated financial information set forth above (with the exception of Depreciation and amortisation, see note 3 below) has been extracted from GSK plc's unaudited condensed consolidated financial statements as at and for the 9 months ended 30 September 2012, which have been prepared applying consistent accounting policies to those applied by GSK plc in its Annual Report 2011, which was prepared in accordance with IAS and IFRS as adopted by the European Union. GSK plc's annual and interim financial statements have been publicly disclosed and are available at www.gsk.com.

(1) Other income includes royalty income, finance income, other operating income, profit on disposal of interest in associates and share of after tax profits of associates and joint ventures
(2) Total expenditure includes cost of sales, selling, general and administration and research and development expenses but excludes depreciation and amortisation expenses
(3) Depreciation and amortisation is not disclosed in GSK plc's published interim financial statements. The Depreciation and amortisation amount set forth above for the 9 months period ending 30 September 2012 has been extracted from GSK's internal financial management systems on a consistent basis to the annual amounts.
(4) Attributable to the shareholders GSK plc, does not include profit attributable to non-controlling interests.
(5) Includes share premium account, retained earnings, other reserves
(6) Unsecured loans include long term borrowings, deferred tax liabilities, pension and post payment benefits, other provisions, non-current derivative financial instruments and other non-current liabilities
(7) Fixed assets include property, plant and equipment, goodwill, other intangible asset, derivative financial instruments and other non-current assets
(8) Investments include investment in associates and joint ventures and other investments
(9) Dividend / Face value of 1 GSK plc share

3.37. The GlaxoSmithKline group has contingent liabilities in respect of guarantees and indemnities entered into as part of the ordinary course of business. No material losses are expected to arise from such contingent liabilities. Provision has been made for the outcome of legal and tax disputes where it is both probable that the group will suffer an outflow of funds and it is possible to make a reliable estimate of that outflow. Descriptions of the significant legal and tax disputes to which the group is a party are set out in the 'Legal Proceedings' note in the Annual Report 2011 and updated in subsequent interim financial statements, all of which are available at www.gsk.com.

3.38. The market price per share of GSK plc was as follows:

Date	**Market price per share of GSK plc**
30 December 2011	GBp 1471.50
28 September 2012	GBp 1427.50
Date of the PA (26 November 2012)	GBp 1330.00

Source: London Stock Exchange (Closing price)

3.39. GSK plc is in compliance with the corporate governance rules and regulations to which it is subject to under applicable laws. GSK plc has appointed Mrs Victoria Whyte as company secretary under applicable laws.

3.40. GSK plc does not directly hold any Shares of the Target Company and hence provisions of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations, 2011 with respect to the Target Company are not applicable.

3.41. GSK plc has not been prohibited by SEBI from dealing in securities, in terms of any directions issued under Section 11B or any other regulations made under the SEBI Act.

3.42. GSK plc does not directly engage in any commercial transactions with the Target Company. However the Target Company enters into various related party transactions in the course of its business with other subsidiaries of GSK plc (in India and worldwide) such as sale and purchase of raw materials and finished goods, rendering and receipt of services, leasing of property and licensing of intellectual property. In addition, the Target Company also provides promotion, marketing and distribution services for various over the counter and oral healthcare products in India, including Sensodyne, Eno, Crocin and Iodex, under service agreements with other GSK group companies. The Target Company earns business auxiliary service commission on the provision of these services, but does not recognise sales of such products. Such transactions are disclosed in the Related Party Disclosures in the Annual Report of the Target Company for year ended 31 December 2011. Further, the Target Company has not published detailed schedules for quarterly results and consequently the financial information subjected to limited review and disclosed herein for the 9 months ending 30 September 2012 does not provide details of related party transactions.

4. BACKGROUND OF THE TARGET COMPANY

4.1 GlaxoSmithKline Consumer Healthcare Limited is a public company, incorporated on 30 October 1958, under the Companies Act, 1956 with its registered office at Patiala Road, Nabha, Punjab - 147201, India.

4.2 The Target Company is engaged in the business of research and development, manufacturing and marketing of nutritional healthcare products such as Horlicks, Boost, Viva and Maltova. In addition, the Target Company also provides promotion, marketing and distribution services for various over the counter and oral healthcare products in India, including Sensodyne, Eno, Crocin and Iodex under service agreements with other GSK group companies. The Target Company earns business auxiliary service commission on the provision of these services, but does not recognise sales of such products.

4.3 The Target Company was incorporated as Hindustan Milkfood Manufacturers Private Limited. On 28 February 1979, the Target Company's name was changed to HMM Limited, which was further changed to SmithKline Beecham Consumer Brands Limited on 15 September 1991 and then to SmithKline Beecham Consumer Healthcare Limited on 28 March 1994. With effect from 23 April 2002, the name of the Target Company was changed to GlaxoSmithKline Consumer Healthcare Limited.

4.4 The Shares of the Target Company have been listed on BSE and NSE since 5 January 1979 and 16 June 2003 respectively.

4.5 The issued and subscribed share capital of the Target Company is INR 420,555,380 (Indian Rupees Four Hundred Twenty million Five Hundred Fifty Five thousand and Three Hundred Eighty only) consisting of 42,055,538 fully paid up Shares. Details of the subscribed and paid-up share capital of the Target Company as of 30 September 2012 are set forth below:

Paid-up Shares	No. of Shares / Voting Rights	% of Shares / Voting Rights
Fully paid-up equity shares	42,055,538	100%
Partly paid-up equity shares	Nil	Nil
Total paid-up equity shares	42,055,538	**100%**
Total voting rights	**42,055,538**	**100%**

4.6 Trading of the Shares of the Target Company is not currently suspended on BSE or NSE. As on the date of this Draft Letter of Offer, there are no outstanding convertible instruments, fully or partially convertible debentures, depository receipts, warrants or instruments, issued by the Target Company, convertible into Shares. The Target Company has not issued any partly paid up shares. There are no Shares which are not listed on either BSE or NSE.

4.7 The Shares of the Target Company have been delisted from the Delhi Stock Exchange (2 September 2004), Ludhiana Stock Exchange (2 August 2004), Madras Stock Exchange (23 August 2004) and Calcutta Stock Exchange (22 February 2006) in India.

4.8 The details of the Board of Directors of the Target Company are set forth below:

S. No.	Name	Date of Appointment	Designation	Director Identification Number
1.	Mr. Simon J. Scarff	1 November 2002	Non Executive Chairman	00176450
2.	Mr. Zubair Ahmed	1 January 2007	Managing Director	00182990
3.	Mr. Kunal Kashyap	23 April 2010	Non Executive Director – Independent	00231891
4.	Mr. Mukesh H Butani	23 April 2010	Non Executive Director – Independent	01452839
5.	Mr. Naresh Dayal	23 April 2010	Non Executive Director –	03059141

S. No.	Name	Date of Appointment	Designation	Director Identification Number
			Independent	
6.	Mr. P. Dwarakanath	23 April 2010	Non Executive Director – Independent	00231713
7.	Mr Jaiboy John Philips	6 February 2012	Wholetime Director	01417171
8.	Mr. Ramakrishnan Subramanian	1 August 2009	Wholetime Director	01933487
9.	Mr. Subodh Bhargava	23 April 2010	Non Executive Director – Independent	00035672

4.9 Three members of the Board of Directors of the Target Company i.e. Mr. Simon J. Scarff, Mr. Zubair Ahmed and Mr. Ramakrishnan Subramanian are representatives of Horlicks.

4.10 The Target Company has not been party to any scheme of amalgamation, restructuring, merger / de merger and spin off during last 3 years.

4.11 The Target Company's financial information based on its audited standalone financial statements for the financial years ended 31 December 2009, 31 December 2010 and 31 December 2011 audited by Price Waterhouse, the statutory auditors of the Target Company, and the unaudited standalone interim financial statements (subjected to Limited Review by Price Waterhouse as required under Clause 41 of the Listing Agreement) for 9 months ended 30 September 2012 are as follows.:

(Amount in INR million except per share data)

Profit & Loss Statement	As at and for the 12 months period ending 31 December			As at and for the 9 months period ending
	2009	2010	2011	30 September 2012
	INR	INR	INR	INR
Income from Operations / Total Revenue / Turnover	19,215	23,061	26,855	23,703
Other Income	893	1,174	1,648	1,614
Total Income	20,108	4,235	28,503	5,317
Total Expenditure	16,107	19,294	22,606	19,560
Profit before Depreciation Interest and Tax	3,999	4,941	5,897	5,757
Depreciation and amortisation	420	397	460	282
Interest	43	26	35	23
Profit Before Tax	3,539	4,518	5,403	5,452
Provision for Tax	1,211	1,520	1,851	1,781
Profit After tax	2,328	2,999	3,552	3,671

Balance Sheet Statement	As at and for the 12 months period ending 31 December			As at and for the 9 months period ending
	2009	2010	2011	30 September 2012
	INR	INR	INR	INR
Sources of Funds				
Paid up share capital	421	421	421	NA
Reserves and Surplus (excluding revaluation reserves)	8,630	9,180	11,021	NA
Net worth	9,051	9,600	11,442	NA
Secured loans	-	-	-	NA
Unsecured loans	-	-	-	NA
Total	9,051	9,600	11,442	NA
Uses of Funds				
Net fixed assets	2,323	3,106	3,718	NA
Investments	-	-	-	NA
Net current assets	6,618	6,227	7,325	NA
Deferred tax asset	110	267	399	NA
Total miscellaneous expenditure not written Off	-	-	-	NA
Total	9,051	9,600	11,442	NA

Other Financial Data	As at and for the 12 months period ending 31 December	As at and for the 9 months period ending

	2009	2010	2011	30 September 2012
	INR	INR	INR	INR
Dividend (%)	180.0%	500.0%	350.0%	NA
Earnings per share (Basic / Diluted)	55.35	71.30	84.46	87.28

Source: The standalone financial information set forth above has been extracted from the Target Company's audited standalone financial statements as at and for years ended 31 December 2009, 31 December 2010 and 31 December 2011 prepared in accordance with applicable Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act 1956 and audited by Price Waterhouse, Firm Registration Number 301112E. The interim standalone financial information set forth above has been extracted from the Target Company's interim unaudited standalone financial statements as at and for the 9 months ended 30 September 2012 prepared in accordance with applicable Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act 1956, reviewed by the audit committee of the board, and approved by the Board of Directors of the Target Company at its meeting held on 1 November 2012. The Limited Review for the unaudited financial results for the quarter ended 30 September 2012, as required under Clause 41 of the Listing Agreement, has been completed by Price Waterhouse, the Target Company's statutory auditors.

4.12 The shareholding pattern of the Target Company before and after the Open Offer, calculated as of the date of this Draft Letter of Offer is as follows:

S. No.	Shareholder Category	Shareholding & Voting Rights prior to the acquisition and the Open Offer		Shareholding and Voting rights agreed to be acquired which triggered off the Regulations		Shares and Voting rights to be acquired in the Open Offer (Assuming full acceptance)		Shareholding/ Voting rights after the acquisition and the Open Offer	
		(A)		(B)		(C)		(A)+(B)+(C) = (D)	
		No.	%	No.	%	No.	%	No.	%
1.	Promoter Group including Acquirers and the PACs								
	a. Acquirer	-	-	-	-	13,389,410	31.84%	13,389,410	31.84%
	b. PAC 1	18,152,243	43.16%	-	-	-	-	18,152,243	43.16%
	c. PAC 2								
	Total 1 (a+b+c)	18,152,243	43.16%			13,389,410	31.84%	31,541,653	75.00%
2.	Parties to the agreement other than (1) (a)	-	-	-	-	-	-	-	-
3.	Public (other than parties to agreement, Acquirer and the PACs)								
	a. FIs / MFs / FIIs / Banks, SFIs			-	-	-	-	-	-
	b. Non-Institutions			-	-	-	-	-	
	Total 3 (a+b)	23,903,295	56.84%	-	-	(13,389,410)	(31.84%)	10,513,885	25.00%
GRAND TOTAL 1+2+3		**42,055,538**	**100.00%**					**42,055,538**	**100.00%**

4.13 The Target Company has been in compliance with the applicable provisions of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations, 2011 within the time specified and certain details of such compliance has been provided herein under:

Sl. No.	Regulation/ Sub-regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in No. of days)	Status Of compliance with SEBI (SAST) Regulations	Remarks
1	8(3)	21.04.2002	02.04.2002	-	Complied	-
2	8(3)	21.04.2003	29.04.2003	-	Complied[(2)]	Complied as per SEBI (SAST) Regulations, 1997[(2)]
3	8(3)	21.04.2004	06.04.2004	-	Complied	-
4	8(3)	21.04.2005	01.04.2005	-	Complied	-
5	8(3)	21.04.2006	13.04.2006	-	Complied	-
6	8(3)	21.04.2007	05.04.2007	-	Complied	-
7	8(3)	21.04.2008	10.04.2008	-	Complied	-
8	8(3)	21.04.2009	13.04.2009	-	Complied	-
9	8(3)	21.04.2010	08.04.2010	-	Complied	-
10	8(3)	21.04.2011	06.05.2011	6[(2)]	Delayed Compliance	-

11	7(3)	1.07.2006	27.06.2006	-	Complied	-
12	7(3)	7.10.2009	30.09.2009	-	Complied	-

Notes:

(1) References to 7(3) and 8(3) are references to Regulation 7(3) and 8(3) of SEBI (SAST) Regulations, 1997

(2) As per Regulation 8(3) of the SEBI (SAST) Regulations,1997, the Target Company was to make such disclosures to the stock exchange within 30 days from financial year ending March 31

In the year 2011, on one occasion, there has been a minor delay of 6 days by the Target Company in making a disclosure under Regulation 8(3) of the SEBI (SAST) Regulations, 1997. Save and except for the above, the applicable provisions of Chapter V of the SEBI (SAST) Regulations,1997 and Chapter II of the SEBI (SAST) Regulations, 2011 have been complied with by the Target Company within the time specified respectively over the last 10 years.

5. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A. Justification for Offer Price

5.1 The Shares of the Target Company are listed on BSE and NSE.

5.2 The Open Offer Price is INR 3,900 per Share.

5.3 The Open Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011, and subject to the terms and conditions mentioned in the PA, the DPS and this Draft Letter of Offer.

5.4 The Shares of the Target Company are frequently traded on the NSE during the preceding 12 calendar months prior to the month in which the PA was made, within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations, 2011. The annualised trading turnover of the Target Company for the period commencing on 1 November 2011 and ending on 31 October 2012, on the NSE and BSE, where the Shares are listed, is as follows:

Name of Stock Exchange	Total Number of Shares traded during the past 12 months	Total Number of Shares	Trading Turnover (% of the total listed Shares)
NSE	5,266,976	42,055,538	12.52%
BSE	1,540,108	42,055,538	3.66%

5.5 The Open Offer Price of INR 3,900 per Share of the Target Company is justified in terms of Regulation 8(2) of SEBI (SAST) Regulations, 2011, in view of the following:

a	the highest negotiated price per Share, if any, of the Target Company for any acquisition under the agreement attracting the obligations to make a public announcement of an open offer;	Not applicable
b	the volume-weighted average price paid or payable for any acquisition, whether by the Acquirer or by any person acting in concert with him, during the fifty-two weeks immediately preceding the date of the PA;	Not applicable
c	the highest price paid or payable for any acquisition, whether by the Acquirer or by any person acting in concert with him, during the twenty-six weeks immediately preceding the date of the PA; and	Not applicable
d	the volume-weighted average market price of the Shares of the Target Company for a period of 60 trading days immediately preceding the date of the PA for Shares of the Target Company made under SEBI (SAST) Regulations, 2011, as traded on the NSE being the stock exchange where the maximum volume of trading in the Shares of the Target Company are recorded during such period	INR 2,985.43

5.6 The Open Offer Price is higher than the highest of 5.5 (a) to (d) above, as required under SEBI (SAST) Regulations, 2011.

5.7 The price and volume data of the Shares on the NSE, where the Shares are most frequently traded, for a period of 60 trading days immediately preceding the date of the PA (i.e. 26 November 2012), are set forth below:

No.	Date	Net Turnover (NSE) (INR)	Total Volume (NSE) (Number of Shares)
1	Wednesday, 29 August 2012	210,118,516	72,561
2	Thursday, 30 August 2012	40,236,428	13,812
3	Friday, 31 August 2012	58,139,296	19,736
4	Monday, 03 September 2012	14,874,541	5,087
5	Tuesday, 04 September 2012	32,944,703	11,422
6	Wednesday, 05 September 2012	34,048,686	11,766
7	Thursday, 06 September 2012	32,843,677	11,324
8	Friday, 07 September 2012	77,750,480	26,672
9	Saturday, 08 September 2012	2,587,246	877
10	Monday, 10 September 2012	34,566,232	11,818

11	Tuesday, 11 September 2012	37,366,129	12,710
12	Wednesday, 12 September 2012	66,601,979	22,470
13	Thursday, 13 September 2012	72,137,642	23,545
14	Friday, 14 September 2012	31,182,223	10,137
15	Monday, 17 September 2012	88,816,420	29,645
16	Tuesday, 18 September 2012	215,398,216	73,572
17	Thursday, 20 September 2012	87,759,528	30,146
18	Friday, 21 September 2012	123,389,072	42,108
19	Monday, 24 September 2012	128,765,362	43,804
20	Tuesday, 25 September 2012	175,359,665	59,350
21	Wednesday,26 September 2012	82,473,901	28,009
22	Thursday, 27 September 2012	77,558,019	26,522
23	Friday, 28 September 2012	73,013,293	24,381
24	Monday, 01 October 2012	52,068,261	17,246
25	Wednesday, 03 October 2012	70,559,950	23,697
26	Thursday, 04 October 2012	82,919,259	27,530
27	Friday, 05 October 2012	46,211,825	15,480
28	Monday, 08 October 2012	130,643,189	43,663
29	Tuesday, 09 October 2012	35,706,959	12,201
30	Wednesday, 10 October 2012	164,664,394	55,428
31	Thursday, 11 October 2012	93,677,703	31,282
32	Friday, 12 October 2012	14,954,307	4,981
33	Monday, 15 October 2012	13,260,773	4,437
34	Tuesday, 16 October 2012	20,437,953	6,847
35	Wednesday, 17 October 2012	142,356,276	48,162
36	Thursday, 18 October 2012	26,834,816	8,891
37	Friday, 19 October 2012	28,910,716	9,490
38	Monday, 22 October 2012	24,693,328	8,165
39	Tuesday, 23 October 2012	27,446,927	8,922
40	Thursday, 25 October 2012	23,141,606	7,493
41	Friday, 26 October 2012	22,498,109	7,259
42	Monday, 29 October 2012	37,411,158	12,320
43	Tuesday, 30 October 2012	7,519,036	2,504
44	Wednesday, 31 October 2012	43,005,633	14,190
45	Thursday, 01 November 2012	110,593,120	36,689
46	Friday, 02 November 2012	49,097,457	15,843
47	Monday, 05 November 2012	106,321,942	34,126
48	Tuesday, 06 November 2012	23,645,673	7,687
49	Wednesday, 07 November 2012	168,533,281	54,778
50	Thursday, 08 November 2012	31,342,687	10,283
51	Friday, 09 November 2012	82,247,231	26,894
52	Monday, 12 November 2012	75,208,016	25,002
53	Tuesday, 13 November 2012	4,477,762	1,477
54	Thursday, 15 November 2012	93,264,056	31,073
55	Friday, 16 November 2012	118,615,822	39,033
56	Monday, 19 November 2012	88,518,274	28,982
57	Tuesday, 20 November 2012	17,720,452	5,824
58	Wednesday, 21 November 2012	22,276,388	7,326
59	Thursday, 22 November 2012	58,182,329	19,087
60	Friday, 23 November 2012	53,663,817	17,613
	Total		
	Volume Weighted Average Market Price (Net Turnover divided by Total Volume)		**INR 2,985.43**

5.8 The Acquirer and the PACs are permitted to make upward revisions in the Open Offer Price, at any time prior to the last three Working Days before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST), Regulations, 2011. In the event of such revision, the Acquirer and the PACs are required to (i) make corresponding increases to the amounts kept in the escrow account, as set out in paragraph 5.14 of this Draft Letter of Offer; (ii) make a public announcement in the newspapers where the DPS was published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE, NSE and the Target Company at its registered office of such revision.

5.9 The Open Offer Price represents a 27.9% premium to the closing price of the Shares on 23 November 2012 (on NSE), which was one day prior to the date of PA. The Open Offer Price also represents a 53.5% premium year to date (since the closing price of the Shares as of 30 December 2011 on NSE).

B. FINANCIAL ARRANGEMENTS

5.10 The total funding requirement for the Open Offer (assuming full acceptances) i.e. for the acquisition of 13,389,410 Shares at the Open Offer Price of INR 3,900 per Share, is INR 52,218,699,000 (Indian Rupees fifty two billion, two hundred and eighteen million and six hundred and ninety nine thousand).

5.11 The Acquirer and the PACs have made firm financial arrangements for fulfilling the payment obligations under the Open Offer, and the Acquirer and the PACs are able to implement this Open Offer.

5.12 The Acquirer and the PACs have adequate resources to meet the financial requirements of this Open Offer since GSK plc has GBP 3,391 million (equivalent to INR 302,465 million), in cash and cash equivalents, as on 30 September 2012 as disclosed in its unaudited condensed consolidated financial statements, prepared by applying consistent accounting policies to those applied in its Annual Report 2011, which was prepared in accordance with IAS and IFRS as adopted by the European Union and as publicly disclosed and available at www.gsk.com.

5.13 Source of funds shall be cash available with GSK plc in its bank accounts outside India maintained with its banking group including HSBC Bank plc.

5.14 By way of security for performance of the Acquirer and the PACs' obligations under the SEBI (SAST) Regulations, 2011, the Acquirer has created an Escrow Account named **"GlaxoSmithKline Consumer Healthcare Limited Open Offer Escrow Account"** (**"Escrow Account – Cash"**) with The Hongkong and Shanghai Banking Corporation Limited (Shiv Building, Plot No. 139-140 B, Western Express Highway, Sahar Road Junction, Vile Parle (East), Mumbai – 400 057) (**"Escrow Bank"**), and has deposited a sum of INR 5,971,869,900 (Indian Rupees five billion, nine hundred and seventy one million, eight hundred and sixty nine thousand and nine hundred) in the said Escrow Account – Cash. The Escrow Account – Cash is in compliance with the requirements of deposit of escrow amount as per Regulation 17 of SEBI (SAST) Regulations, 2011, i.e., 25% of the first INR 5,000,000,000(Indian Rupees five billion) and 10% thereafter.

5.15 The Manager to the Open Offer has entered into an agreement dated 26 November 2012 with the Acquirer and the Escrow Bank (**"Escrow Agreement"**) pursuant to which the Acquirer has authorised the Manager to the Open Offer to realize the value of the Escrow Account - Cash in terms of Regulation 17 of SEBI (SAST) Regulations, 2011.

5.16 PricewaterhouseCoopers LLP, Chartered Accountant, 1 Embankment Place, London WC2N 6RH, Telephone Number +44 20 7583 5000, Fax Number +44 20 7212 4652, Registration Number OC303525 has, *vide* its certificate dated 29 November 2012 certified that the Acquirer and / or the PACs have adequate financial resources for fulfilling its obligations under the Open Offer.

5.17 The Acquirer and the PACs have, by a certificate dated 26 November 2012, given an undertaking to the Manager to the Open Offer to meet their financial obligations under the Open Offer.

5.18 Based on the above, the Manager to the Open Offer is satisfied about the ability of the Acquirer and the PACs to implement the Open Offer in accordance with the SEBI (SAST) Regulations, 2011 as firm arrangements for funds through verifiable means have been made by the Acquirer and / or the PACs to meet the payment obligations under the Open Offer.

6. TERMS AND CONDITIONS OF THE OPEN OFFER

6.1. The Open Offer is being made by the Acquirer and the PACs to all Shareholders of the Target Company. The Draft Letter of Offer together with the Form of Acceptance-cum-Acknowledgement and transfer deed (for Shareholders holding Shares in the physical form) will be mailed to those Shareholders of the Target Company whose names appear on the register of members of the Target Company and to the beneficial owners of the Shares of the Target Company whose names appear as beneficiaries on the beneficial record of the respective depositories, at the close of business on the Identified Date (i.e. 3 January 2013). Owners of Shares who are not registered as Shareholders are also eligible to participate in the Open Offer at any time prior to the Closure of the Tendering Period.

6.2. All Shareholders (other than the Acquirer and the PACs) are eligible to participate in the Open Offer anytime before the closure of the Tendering Period.

6.3. The Acquirer shall accept this Open Offer subject to the following:

6.3.1. Applications in respect of Shares that are the subject matter of litigation, wherein the Shareholders may be prohibited from transferring the Shares during the pendency of the said litigation, are liable to be rejected if directions or orders regarding these Shares are not received together with the Shares tendered under the Open Offer. The applications in some of these cases, may be forwarded (as per the discretion of the Acquirer) to the concerned statutory authorities for further action by such authorities. Shares that are subject to any charge, lien or encumbrance are liable to be rejected in the Open Offer.

6.3.2. The Acquirer will acquire the Shares which are free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared hereafter.

6.4. As of 30 September 2012, the Target Company had no Shares which were locked in.

6.5. The Open Offer is not conditional and is not subject to any minimum level of acceptance. The acceptance of the Open Offer must be unconditional and should be entirely at the discretion of the Shareholders of the Target Company. Each Shareholder of the Target Company to whom the Open Offer is being made, is free to offer his Shares, in whole or in part while accepting the Open Offer.

6.6. The Acquirer and PACs reserve the right of upward revision to the Open Offer Price at any time prior to the commencement of the last 3 Working Days before the commencement of Tendering Period in terms of Regulation 18(4) of the SEBI (SAST) Regulations, 2011. The Open Offer Price, if and as revised, would be paid by the Acquirer and the PACs for all the Shares tendered any time during the Tendering Period and accepted under the Open Offer. In the event of any such revision, the Acquirer and / or the PACs will (i) make corresponding increases to the amount kept in escrow pursuant to Regulation 17 of SEBI (SAST) Regulations, 2011 (refer to paragraph 5.14 of this Draft Letter of Offer); (ii) make a public announcement in respect of such revision in all the newspapers in which the DPS was published; and (iii) simultaneously with the issue of such public announcement in (ii) above, inform SEBI, all the stock exchanges on which Shares of the Target Company are listed, and the Target Company at its registered office.

6.7. The Tendering Period of the Open Offer will open on 17 January 2013 and close on 30 January 2013.

6.8. Shareholders who have accepted the Open Offer by tendering their Shares and requisite documents in terms of the PA, DPS and this Draft Letter of Offer are **<u>not</u>** entitled to withdraw such acceptance during the Tendering Period for the Open Offer.

6.9. In the event that the Shares tendered in the Open Offer are more than the Shares to be acquired under the Open Offer, the acquisition of Shares from each Shareholder will be on a proportionate basis as detailed in paragraph 7.14 of this Draft Letter of Offer.

6.10. The Acquirer and the PACs will not be responsible for any loss of share certificate(s) and the Open Offer acceptance documents during transit and the Shareholders are advised to adequately safeguard their interests in this regard.

6.11. Accidental omission to dispatch the Letter of Offer to any person to whom this Open Offer has been made to or non-receipt of the Letter of Offer by any such person shall not invalidate the Open Offer in any way.

6.12. **Statutory and Other Approvals**

6.12.1. As of the date of this Draft Letter of Offer, to the best of the knowledge of the Acquirer and the PACs, there are no statutory approvals required by the Acquirer and / or the PACs to complete this Open Offer. However, in case of any statutory approvals being required by the Acquirer and / or the PACs at a later date before the Closure of the Tendering Period, the Open Offer shall be subject to all such approvals and the Acquirer and / or the PACs shall make the necessary applications for such approvals.

6.12.2. In accordance with Regulation 23 of the SEBI (SAST) Regulations, 2011, the Acquirer and the PACs, will have the right not to proceed with the Open Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal of the Open Offer, a public announcement will be made within 2 Working Days of such withdrawal, in the same newspapers in which the DPS was published.

6.12.3. In case of delay in receipt of any statutory approvals which may be required at a later date before the Closure of the Tendering Period, of the Open Offer, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer and / or the PACs to diligently pursue such approvals, grant an extension of time for the purpose of completion of the Open Offer subject to the Acquirer and / or the PACs agreeing to pay interest to the public shareholders for delay beyond 10 Working Days at such rate as may be specified by SEBI from time to time. Provided where the statutory approvals extend to some but not all Shareholders, the Acquirer and / or the PACs have the option to make payment to such Shareholders in respect of whom no statutory approvals are required in order to complete the Open Offer.

6.12.4. NRI and OCB Shareholders, if any, must obtain all requisite approvals required to tender the Shares held by them pursuant to the Open Offer and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Open Offer. Further, if Shareholders who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approval from the RBI or the FIPB or any other regulatory body in respect of the Shares held by them in the Target Company, they will be required to submit such previous approvals that they would have obtained for holding the Shares of the Target Company to tender Shares held by them pursuant to the Open Offer, along with the Form for Acceptance-cum Acknowledgement and other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirer and the PACs reserve the right to reject such Shares tendered in the Open Offer.

7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OPEN OFFER

7.1. The Letter of Offer will be mailed to the Shareholders, whose names appear on the register of members of the Target Company, as on the close of business on the Identified Date and to the beneficial owners of the Shares of the Target Company whose names appear in the beneficial records of the respective depositories as on the close of business on the Identified Date.

7.2. Every Shareholder in the Target Company, regardless of whether she / he held Shares on the Identified Date, or has not received the Letter of Offer, is entitled to participate in the Open Offer.

7.3. Shareholders can also download the Letter of Offer and the Form of Acceptance-cum-Acknowledgement from the SEBI website at www.sebi.gov.in and send in their acceptances by filling the same.

7.4. Shareholders of the Target Company who wish to accept the Open Offer and tender their Shares, held either in physical or in dematerialised form, can send or hand deliver the Form of Acceptance-cum-Acknowledgement duly signed along with all the relevant documents as mentioned in the Draft Letter of Offer, at any of the collection centres of the Registrar to the Open Offer mentioned below during working hours on or before the Closure of the Tendering Period, i.e., no later than 4:00 pm on 30 January 2013, in accordance with the procedure as set out in the Draft Letter of Offer. All of the centres of the Registrar to the Open Offer mentioned herein below will be open as follows: (Monday to Friday - 10:00 am to 4:00 pm and Saturday - 10:00 am to 1:00 pm). The centres will be closed on Sundays and Public Holidays.

No.	Collection Centre	Address	Contact Person	Tel. No., Fax No. and Email Id	Mode of delivery
1.	Chennai	Karvy Computershare PrivateLimited, Flat No F-11, 1st Floor Akshaya Plaza, No.108 Adhidhanar SalaiEgmore, Chennai – 600002	Mr. K. Gunasekhar	Tel. No.: +91 44 28587781 Fax No.: N.A. Email:chennaiirc@karvy.com	Hand Delivery
2.	Bengaluru	Karvy Computershare Private Limited, No.59, Skanda, Putana Road, Basavanagudi Bengaluru – 560004	Mr. S. K. Sharma/ Mr. Mahadev	Tel. No.: +91 80 26621192 Fax No.: +91 80 26621169 Email:ircbangalore@karvy.com	Hand Delivery
3.	Mumbai – Fort	Karvy Computershare Private Limited, 24-B, Rajabahudur Mansion, Ground Floor, 6 Ambalal Doshi Marg, Behind BSE Limited, Fort Mumbai – 400001	Ms. Nutan Shirke	Tel. No.: +91 22 66235412 / 27 Fax No.: +91 22 66331135 Email: ircfort@karvy.com nutan.shirke@karvy.com	Hand Delivery
4.	New Delhi	Karvy Computershare Private Limited, 305, New Delhi House, 27, Barakhamba Road, Connaught Place, New Delhi – 110001	Mr. Rakesh K. Jamwal / Vinod Singh Negi	Tel. No.: +91 11 43681700 / 1798 Fax No.: +91 11 41036370 Email: rakeshj@karvy.com jmathew@karvy.com	Hand Delivery

5.	Ahmedabad	Karvy Computershare Private Limited, 201-203, Shail, Opp. Madhusudhan House, Behind Girish Cold Drinks, Off C G Road, Ahmedabad – 380006	Mr.Aditya Gupta/ Robert Joeboy	Tel. No.: +91 79 66614772 / 26400527 Fax No.: N.A. Email: ahmedabad@karvy.com robert.joeboy@karvy.com	Hand Delivery
6.	Hyderabad	Karvy Computershare Private Limited, Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad – 500081	Ms. Bhakta Singh	Tel. No.: +91 40 44655000 / 23420818 - 23 Fax No.: +91 40 23431551 Email: ircmadhapur@karvy.com	Hand Delivery/ Registere d Post
7.	Kolkatta	Karvy Computershare Private Limited, 49, Jatin Das Road, Near Deshpriya Park, Kolkatta – 700029	Mr. Sujit Kundu/ Mr. Debnath	Tel. No.: +91 33 24644891 Fax No.: +91 33 24644866 Email: sujitkundu@karvy.com nilkanta@karvy.com	Hand Delivery
8.	Mumbai – Andheri	Karvy Computershare Pvt Ltd. 7, Andheri Industrial Estate, Off. Veera Desai Road, Andheri West, Mumbai 400053	Ms. Neelam	Tel No: 022-26730799 Fax No: N.A Email ; neelam@karvy.com	Hand Delivery

7.5. Shareholders who are unable to hand deliver their documents at the collection centre referred to above, may send the same by registered post or by courier, at their own risk and cost, to the Registrar to the Open Offer at its address, Karvy Computershare Private Limited, Unit: GSK Consumer Healthcare Ltd - Open offer, Plot No 17 to 24, Vithalrao Nagar, Hi-Tech City Road, Madhapur, Hyderabad 500081, Contact Person: Mr. Muralikrishna.

7.6. **Procedure for Shares held in physical form**

7.6.1. Shareholders who hold Shares of the Target Company in physical form and wish to tender their Shares under the Open Offer will be required to submit the duly completed and signed Form of Acceptance-cum-Acknowledgement, original Share certificate(s), blank transfer deed(s) duly signed, stamped and witnessed, to the Registrar to the Open Offer either by registered post / courier, at their own risk or by hand delivery so as to reach on or before the date of closing of the business hours on the date of Closure of the Tendering Period of the Open Offer i.e. 30 January 2013.

7.6.2. In case of (i) Shareholders who have not received the Letter of Offer; (ii) unregistered shareholders; (iii) owner of the Shares who have sent the Shares to the Target Company for transfer, may send their application in writing to the Registrar to the Open Offer, on plain paper stating the name, address, number of Shares held, number of Shares tendered, distinctive numbers, folio numbers along with the documents to prove their title to such Shares such as broker note, succession certificate, original Share certificate / original letter of allotment and Share transfer deeds (one per folio), duly signed by such Shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with Target Company), and witnessed (if possible) by the notary public or a bank manager or the member of the stock exchange with membership number, as the case may be so as to reach the Registrar to the Open Offer on or before the date of closing of the business hours on the date of Closure of the Tendering Period i.e. 30 January 2013. Alternatively, such Shareholders, if they so desire, may apply on the Form of Acceptance-cum-Acknowledgement together with the information requested above. Such shareholders can obtain the Letter of Offer and the Form of Acceptance-cum-Acknowledgement from the Registrar to the Open Offer by making an application in writing to that effect or from the SEBI website (www.sebi.gov.in).

7.6.3. No indemnity regarding title is required from the unregistered shareholders. The unregistered shareholders should not sign the transfer deed and the transfer deed should be valid for transfer.

7.7. **Procedure for the Shares held in dematerialised form**

7.7.1. Shareholders holding Shares of the Target Company in dematerialised form and who wish to tender their Shares under the Open Offer will be required to submit the duly completed and signed Form of Acceptance-cum-Acknowledgement to the Registrar to the Open Offer either by registered post / courier or by hand delivery so as to reach on or before the date of closing of the business hours on the date of Closure of the Tendering Period i.e. 30 January 2013 along with a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the DP, in favour of **"KCPL Escrow Account - GSK Consumer Healthcare Ltd - Open offer"** (**"Depository Escrow Account"**).

7.7.2. The Registrar to the Open Offer, **Karvy Computershare Private Limited** has opened a Depository Escrow Account "**KCPL Escrow Account - GSK Consumer Healthcare Ltd - Open offer"** with NSDL for receiving Shares during the Open Offer from Shareholders who hold Shares in dematerialised form. The details of the Depository Escrow Account are mentioned below:

Depository Participant Name	Karvy Stock Broking Ltd.
DP ID	IN300394
Client ID	18533916
Account Name	KCPL Escrow Account - GSK Consumer Healthcare Ltd - Open offer
Depository	NSDL

7.7.3. Shareholders having their beneficiary account in CDSL shall use the inter-depository delivery instruction slip for the purpose of crediting their shares in favor of the Depository Escrow Account with NSDL. In case of non-receipt of the aforesaid documents, but receipt of the Shares in the Depository Escrow Account by the Registrar to the Open Offer, the Shareholder may be deemed to have accepted the Open Offer.

7.7.4. In the case of (a) Shareholders who have not received the Letter of Offer, (b) unregistered shareholders, (c) owners of the Shares who have sent the Shares to the Target Company for transfer, may send their application in writing to the Registrar to the Open Offer, on plain paper stating the name, address, number of Shares held, number of Shares tendered, DP name, DP ID, account number together with photocopy or counterfoil of the delivery instruction slip in "off-market" mode duly acknowledged by the DP for transferring the Shares in favour of **KCPL Escrow Account - GSK Consumer Healthcare Ltd - Open offer** as per the details given in the table in paragraph 7.7.2 so as to reach the Registrar to the Open Offer on or before the date of closing of the business hours on the date of Closure of the Tendering Period i.e. 30 January 2013. Alternatively, such Shareholders, if they so desire, may apply on the Form of Acceptance-cum-Acknowledgement together with the information requested above. Such shareholders can obtain the Letter of Offer and the Form of Acceptance-cum-Acknowledgement from the Registrar to the Open Offer by making an application in writing to that effect or from the SEBI website (www.sebi.gov.in).

7.8. In the case of registered Shareholders, non-receipt of the Form of Acceptance-cum-Acknowledgement, but receipt of the Share certificates and the duly completed transfer deed, by the Registrar to the Open Offer, may be deemed to be acceptance of the Open Offer by such Shareholders.

7.9. In the case of registered Shareholders, non-receipt of the Form of Acceptance-cum-Acknowledgement, but credit of Shares in the Depository Escrow Account, may be deemed to be acceptance of the Open Offer by such Shareholders.

7.10. THE SHARES, SHARE CERTIFICATES, TRANSFER DEED, FORM OF ACCEPTANCE-CUM- ACKNOWLEDGEMENT AND / OR OTHER RELEVANT DOCUMENTS **SHOULD NOT BE SENT** TO THE ACQUIRER, THE PACS, THE TARGET COMPANY OR THE MANAGER TO THE OPEN OFFER.

7.11. Shareholders who have sent their Shares for dematerialisation need to ensure that the process of getting Shares dematerialised is completed well in time so that the credit in the Depository Escrow Account should be received on or before the date of closing of the business hours on the date of Closure of the Tendering Period i.e. 30 January 2013, else the application will be rejected.

7.12. If Shareholders who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approval from the RBI, the FIPB or any other regulatory body in respect of the Shares held by them in the Target Company, or in the case of NRI and OCB Shareholders, require any approvals to tender Shares held by them pursuant to the Open Offer, they will be required to submit such approvals along with the Form for Acceptance-cum Acknowledgement and other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirer and the PACs reserve the right to reject such Shares tendered in the Open Offer.

7.13. The Shareholders should also provide all relevant documents which are necessary to ensure transferability of the Shares in respect of which the application is being sent. Such documents may include, but are not limited to:

7.13.1. Duly attested death certificate and succession certificate / probate / letter of administration (in case of single Shareholder) if the original Shareholder has expired;

7.13.2. Duly attested power of attorney if any person apart from the Shareholder has signed the acceptance form and/ or transfer deed(s);

7.13.3. A no objection certificate from the lender, if the Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance;

7.13.4. In case of companies, the necessary corporate authorisation (including certified copy of board and / or general meeting resolution(s)); and

7.13.5. Any other relevant documents.

7.14. If the aggregate valid responses to the Open Offer by the Shareholders are more than the Shares agreed to be acquired under the Open Offer, then Acquirer and / or the PAC will accept the offers received from the Shareholders on a proportionate basis, in consultation with the Manager to the Open Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Shares from a Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The marketable lot of the Target Company is 1 (one) Share.

7.15. Payment to those Shareholders whose Share certificates and / or other documents are found valid and in order, will be made by way of a crossed account payee cheque / demand draft / pay order / through Direct Credit (**"DC"**) / National Electronic Clearance System (**"NECS"**) / National Electronic Funds Transfer (**"NEFT"**) / Real Time Gross Settlement (**"RTGS"**). So as to avoid fraudulent encashment in transit, the Shareholders holding Shares in physical form should provide details of bank account of the first / sole Shareholder as provided in the Form of Acceptance-cum-Acknowledgement and the consideration cheque or demand draft will be drawn accordingly. For Shares that are tendered in dematerialised form, the bank account details as obtained from the beneficiary position download to be provided by the depositories will be considered and the payment shall be processed with the said bank particulars, and not any details provided in the Form of Acceptance-cum-Acknowledgement. In case of Shareholders holding Shares in physical form, if the bank account details are not provided, then the consideration will be dispatched in the name of the sole / first named holder at her / his registered address (at their own risk). The decision regarding (i) the acquisition (in part or full), of the Shares tendered pursuant to the Open Offer, or (ii) rejection of the Shares tendered pursuant to the Open Offer along with (a) any corresponding payment for the acquired Shares and / or (b) return of Share certificates for any rejected Shares or Shares accepted in part, will be dispatched to the Shareholders by registered post or by ordinary post as the case may be, at the Shareholder's sole risk. Shares held in dematerialised form to the extent not acquired will be credited back to the respective beneficiary account with their respective DPs as per the details furnished by the beneficial owners in the Form of Acceptance-cum-Acknowledgement.

7.16. For Shareholders who do not opt for electronic mode of transfer or whose payment consideration is rejected / not credited through DC / NECS / NEFT / RTGS, due to technical errors or incomplete / incorrect bank account details, payment consideration will be dispatched through registered / speed post at the Shareholder's sole risk.

7.17. The unaccepted Share certificates, transfer forms and other documents, if any, will be returned by registered post at the Shareholders' sole risk. Unaccepted Shares held in dematerialised form will be credited back to the beneficial owners' depository account with the respective depository participant as per details received from their depository participant. It will be the responsibility of the Shareholders to ensure that the unaccepted Shares are accepted by their respective depository participants when transferred by the Registrar to the Open Offer. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for the receipt of the credit, if any, in their DP account. Shareholders should ensure that their depository account is maintained till the Open Offer formalities are completed.

7.18. The Registrars to the Open Offer will hold in trust the Shares and Share certificate(s), Shares lying in credit of the Depository Escrow Account, Form of Acceptance-cum-Acknowledgement, and the transfer deed(s) on behalf of the Shareholders of Target Company who have accepted the Open Offer, until the cheques / drafts for the consideration and/ or the unaccepted Shares / Share certificates are dispatched / returned.

7.19. Compliance with Tax requirements:

I. General

(a) As per the provisions of Section 195(1) of the Income Tax Act any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). The consideration received by the non-resident Shareholders for Shares accepted in the Open Offer may be chargeable to tax in India either as capital gains under Section 45 of the Income Tax Act or as business profits, depending on the facts and circumstances of the case. The Acquirer and / or PACs are required to deduct tax at source (including surcharge and education cess) at the applicable rate as per the Income Tax Act on such capital gains/ business profits. Further, the payment of any interest (paid for delay in payment of Open Offer Price) by the Acquirer and / or the PACs to a non-resident Shareholder may be chargeable to tax, as income from other sources under Section 56 of the Income Tax Act. The Acquirer and / or the PACs are required to deduct tax at source (including surcharge and education cess) at the applicable rate as per the Income Tax Act on such interest.

(b) As per the provisions of Section 194A of the Income Tax Act, the payment of any interest by Acquirer and / or the PACs to a resident Shareholder may be chargeable to tax, as income from other sources under Section 56 of the Income Tax Act. The Acquirer and / or the PACs is required to deduct tax at source at the applicable rate as per the Income Tax Act on such interest (paid for delay in payment of Open Offer Price).

(c) All Shareholders whether resident or non-resident (including FIIs) are required to submit their Permanent Account Number ("**PAN**") for income-tax purposes. In case the PAN is not submitted or is invalid or does not belong to the Shareholder, the Acquirer and / or the PACs will arrange to deduct tax at the rate of 20% (as provided in section 206AA of the Income Tax Act) or the rate, as may be applicable, to the category of the Shareholder under the Income Tax Act, whichever is higher.

(d) Each Shareholder shall certify its tax residency status (i.e. whether resident or non-resident) and its tax status (i.e. whether individual, firm, company, association of persons/ body of individuals, trust, any other, etc.) by selecting the appropriate box in the Form of Acceptance-cum-Acknowledgement. In case of ambiguity, incomplete or conflicting information or the information not being provided to the Acquirer and / or the PACs, it will be assumed that the Shareholder is a non-resident Shareholder and taxes shall be deducted treating the Shareholder as a non-resident and at the rate as may be applicable, under the Income Tax Act, to the relevant category to which the Shareholder belongs, on the entire consideration and interest if any, payable to such Shareholder.

(e) Any Shareholder claiming benefit under any Double Taxation Avoidance Agreement ("**DTAA**") between India and any other foreign country should furnish the 'Tax Residence Certificate' provided to him / it by the Income Tax Authority of such other foreign country of which he / it claims to be a tax resident. The 'Tax Residence Certificate' should contain particulars and should be verified in the manner prescribed under the Income Tax Rules, 1962 ("**Income Tax Rules**").

(f) The Acquirer and / or the PACs will not accept any request from any Shareholder, under any circumstances, for non-deduction of tax at source or deduction of tax at a lower rate, on the basis of any self computation/computation by any tax consultant, of capital gain and/or interest, if any and tax payable thereon.

(g) Securities transaction tax will not be applicable to the Shares accepted in the Open Offer.

(h) The provisions contained in clause (c) to (e) above are subject to anything contrary contained in paragraphs II to V below.

II. Tax Implications in case of Non-resident Shareholders (other than FII)

(a) Remittance of consideration: While tendering Shares under the Open Offer, NRI, OCBs, and other non-resident Shareholders (excluding FIIs) will be required to submit a NOC or a Certificate for Deduction of Tax at Lower Rate, indicating the amount of tax to be deducted by Acquirer and / or the PACs before remitting the consideration. The Acquirer and / or the PACs will arrange to deduct taxes at source in accordance with such NOC or Certificate for Deduction of Tax at Lower Rate.

(b) In case the NOC or Certificate for Deduction of Tax at Lower Rate is not submitted, the Acquirer and / or the PACs will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the Shareholder belongs, under the Income Tax Act on the entire consideration amount payable to such Shareholder.

(c) Interest Payments: For interest payments by the Acquirer and / or the PACs for delay in payment of Open Offer Price, if any, NRIs, OCBs, and other non-resident Shareholders (excluding FII) will be required to submit a NOC or Certificate for Deduction of Tax at Lower Rate indicating the amount of tax to be deducted by the Acquirer and / or the PACs before remitting the consideration. The Acquirer and / or the PACs will arrange to deduct taxes at source in accordance with such NOC or Certificate for Deduction of Tax at Lower Rate.

(d) In case the NOC or Certificate for Deduction of Tax at Lower Rate is not submitted, the Acquirer and / or the PACs will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the Shareholder belongs under the Income Tax Act on the entire consideration payable as interest to such Shareholder.

(e) All NRIs, OCBs and other non-resident Shareholders (excluding FIIs) are required to submit their PAN for income tax purposes. In case the PAN is not submitted or is invalid or does not belong to the Shareholder, Acquirer and / or the PACs will arrange to deduct tax at the rate of 20% (as provided in section 206AA of the Income Tax Act) or the rate, as may be applicable to the category of the Shareholder under the Income Tax Act, whichever is higher.

(f) Treaty Benefits: Any NRIs, OCBs and other non-resident Shareholders (excluding FIIs) claiming benefit under any DTAA between India and any other foreign country should furnish the 'Tax Residence Certificate' provided to him / it by the Income Tax Authority of such other foreign country of which it claims to be a tax resident. In the absence of such Tax Residence Certificate, the Acquirer and / or the PACs will arrange to deduct tax in accordance with the provisions of the Income Tax Act and without having regard to provisions of any DTAA. The Tax Residence Certificate should contain particulars and should be verified in the manner prescribed under the Income Tax Rules.

III. Tax Implications in case of FII

(a) Tax Benefits for FIIs in respect of the consideration paid by the Acquirer and / or the PACs: As per the provisions of Section 196D (2) of the Income Tax Act, no deduction of tax at source is required to be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income Tax Act, to an FII, as defined in Section 115AD of the Income Tax Act, subject to the following conditions:

   i. FIIs are required to certify the nature of their holding (*i.e.* whether held on Capital Account as Investment or on Trade Account) of the shares in the Target Company by selecting the appropriate box in the Form of Acceptance-cum-Acknowledgement. The benefits under Section 196D(2) are applicable in case the Shares are held on Capital Account;

   ii. FIIs shall also certify the nature of its income (*i.e.* whether capital gains or business income) on the sale of shares in the Target Company by selecting the appropriate box in the Form of Acceptance-cum-Acknowledgement. The benefits under Section 196D(2) are applicable in case the nature of the FII's income is capital gains.

(b) The absence of certificates/ declarations as contemplated in clause (a) above (as applicable), notwithstanding anything contained in clause (a) above, the Acquirer and / or the PACs shall deduct tax at the maximum marginal rate as may be applicable to the category of the Shareholder under the Income Tax Act, on the entire consideration amount payable to such Shareholder (i.e. FII).

(c) In case it is certified by the FII that shares held by such FII in the Target Company are held on Trade Account no deduction of tax at source shall be made if such FII furnishes a Tax Residence Certificate and furnishes a self declaration stating that such FII does not have a permanent establishment in India, in terms of the DTAA entered between India and the country of tax residence of such FII. In the absence of such certificates/declarations, the Acquirers and / or the PACs shall deduct tax at the maximum marginal rate as may be applicable to the category of the Shareholder under the Income Tax Act, on the entire consideration amount payable to such Shareholder (i.e. FII).

(d) Notwithstanding anything contained in clause (a) to (c) above, in case an FII furnishes a NOC or Certificate for Deduction of Tax at Lower Rate, the Acquirer and / or the PACs will arrange to deduct taxes at source in accordance with such NOC or Certificate for Deduction of Tax at Lower Rate.

(e) Interest Payments: For interest payments by the Acquirer and / or the PACs for delay in payment of Open Offer Price, if any, FIIs will be required to submit a NOC or Certificate for Deduction of Tax at Lower Rate from the income tax authorities under the Income Tax Act indicating the amount of tax to be deducted by the Acquirer and / or the PACs before remitting the consideration. The Acquirer and / or the PACs will arrange to deduct taxes at source in accordance with such NOC or Certificate for Deduction of Tax at Lower Rate.

(f) In case the NOC or Certificate for Deduction of Tax at Lower Rate is not submitted, the Acquirer and / or the PACs will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the Shareholder belongs under the Income Tax Act on the entire consideration payable as interest to such Shareholder.

(g) All FIIs shall submit their PAN for income tax purposes. In case PAN is not submitted or is invalid or does not belong to the Shareholder, Acquirer and / or the PACs will arrange to deduct tax at the rate of 20% (as provided in section 206-AA of the Income Tax Act) or the rate, as may be applicable to the category of the Shareholder under the Income Tax Act, whichever is higher.

(h) Treaty Benefits: Any FII claiming benefit under any DTAA between India and any other foreign country should furnish a "Tax Residence Certificate" provided to it by the income tax authority of such other foreign country of which it claims to be a tax resident. In the absence of such Tax Residence Certificate, the Acquirer and / or the PACs will arrange to deduct tax in accordance with the provisions of the Income Tax Act and without having regard to provisions of any DTAA. The Tax Residence Certificate should contain particulars and should be verified in the manner prescribed under the Income Tax Rules.

IV. Tax Implications in case of resident shareholders

(a) For interest payments by the Acquirer and / or the PACs for delay in payment of Open Offer Price, if any, the Acquirer and / or the PACs will arrange to deduct tax at the rate of 10% (as provided in section 194 A of the Income Tax Act).

(b) All resident Shareholders shall submit their PAN for income tax purposes. In case the PAN is not submitted or is invalid or does not belong to the Shareholder, Acquirer and / or the PACs will arrange to deduct tax at the rate of 20% (as provided in section 206-AA of the Income Tax Act).

(c) Notwithstanding anything contained in clause (a) to (c) above, no deduction of tax shall be made at source by the Acquirer and / or the PACs where the total amount of interest payable to a resident Shareholder does not exceed INR 5,000 or where a self declaration in Form 15G or Form 15H (as provided in the Income Tax Rules, 1962), as may be applicable, has been furnished by a resident Shareholder. The self declaration in Form 15G and Form 15H will not be regarded as valid unless the resident Shareholder furnished its PAN in such declaration.

V. Tax Implications in foreign jurisdictions

(a) Apart from the above, the Acquirer and / or the PACs are entitled to withhold tax in accordance with the tax laws applicable in overseas jurisdictions where the non-resident Shareholder is a resident for tax purposes ("**Overseas Tax**"). For this purpose, the non-resident Shareholder shall furnish a self declaration stating the quantum of the Overseas Tax to be withheld as per the relevant tax laws of the country in which the non-resident Shareholder is a tax resident, and the Acquirer and / or the PACs will be entitled to rely on this representation at their sole discretion.

(b) Notwithstanding the details given above, all payments will be made to Shareholders subject to compliance with prevailing tax laws.

(c) The tax deducted by the Acquirer and / or the PACs while making payment to a Shareholder may not be the final tax liability of such Shareholder and shall in no way discharge the obligation of the Shareholder to appropriately disclose the amounts received by it, pursuant to this Open Offer, before the income tax authorities.

(d) Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Open Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take.

(e) The Acquirer, the PACs and the Manager to the Open Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above.

8. DOCUMENTS FOR INSPECTION

The following documents are available for inspection to the Shareholders at the office of the Manager to the Open Offer at HSBC Securities and Capital Markets (India) Private Limited, 52 / 60 Mahatma Gandhi Road, Fort, Mumbai 400 001, between 10:30 a.m. and 3:00 p.m. on all working days (except Saturdays, Sundays and bank holidays) till the Closure of the Open Offer, *i.e.*, 30 January 2013:

(i) Copy of the certificate of incorporation, memorandum of association and articles of association, or equivalent constitutional documents of the Acquirer and the PACs;

(ii) Copy of the certificate issued by PricewaterhouseCoopers LLP, Chartered Accountant, Telephone: +44 20 7583 5000, Fax: +44 20 7212 4652, Registration Number OC303525 date 29 November 2012, certifying the adequacy of financial resources with the Acquirer and the PACs to fulfill their obligations under the Open Offer;

(iii) Copy of the audited annual report of the Acquirer, the PACs and the Target Company for the financial years ended on 31 December 2011, 31 December 2010 and 31 December 2009;

(iv) Copy of the letter dated 29 November 2012, issued by the Escrow Bank, confirming the amount kept in the Escrow Account and a lien in favour of the Manager to the Open Offer;

(v) Copy of the PA dated 26 November 2012, the DPS dated 4 December 2012, Corrigendum to the PA dated 4 December 2012 and Issue Opening advertisement dated [•];

(vi) Copy of the recommendation made by the Target Company's committee of independent directors, as required under Regulation 26(7) of the SEBI (SAST) Regulations, 2011;

(vii) Copy of the Open Offer Escrow Agreement dated 26 November 2012 entered into amongst the Acquirer, the Manager to the Open Offer and the Escrow Bank;

(viii) Copy of the letter number [•] from SEBI dated [•] containing its comments on the Draft Letter of Offer; and

(ix) A copy of the agreement entered into with the DP for opening a special depository account for the purpose of this Offer.

9. DECLARATION BY THE ACQUIRER AND PERSONS ACTING IN CONCERT

9.1. The Acquirer and the PACs accept full responsibility for the information contained in this Draft Letter of Offer. However, in respect of information relating to the Target Company, the Acquirer has relied on information obtained from the Target Company.

9.2. Each of the Acquirer and the PACs shall be, severally and jointly, responsible for ensuring compliance with the provisions of the SEBI (SAST) Regulations, 2011.

9.3. The person(s) signing this Draft Letter of Offer are duly and legally authorised by the Acquirer and the PACs to sign the Draft Letter of Offer.

On behalf of	**On behalf of**
GlaxoSmithKline Pte Ltd **Date: 11 December 2012** **Place: Singapore**	**Horlicks Limited** **Date: 11 December 2012** **Place: London**

On behalf of

GlaxoSmithKline plc
Date: 11 December 2012
Place: London

Enclosed:

(1) Form of Acceptance-cum-Acknowledgement

(2) Transfer deed for Shareholders holding Shares in physical form

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